

Ba-Phalaborwa Municipality



"Home of Marula and Wildlife Tourism"

Annual Budget 2011/12 MTREF

18 April 2011

Vision

"Best tourist destination in Limpopo by 2020"



Mission

- ❖ To ensure financial viability, sound administration and accountable governance for investor attractiveness
- ❖ To render all stakeholders with quality and affordable infrastructure and services for enhancing a safe and better life for all
- ❖ To manage the environment for future sustainable economic growth
- ❖ To build the mining industry for economic growth
- ❖ To position Ba-Phalaborwa as a tourism destination of choice

Values

- Efficiency and accountability
- Innovation and creativity
- Professionalism & hospitality
- Transparency and fairness
- Continuous learning
- Conservation conscious

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ABBREVIATIONS/ACCRONYMS

CPIX	Consumer Price Index
DoRA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DLGH	Department of Local Government and Housing
EXCO	Executive Committee
GRAP	Generally Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulation of South Africa
NT	National Treasury
PMS	Performance Management System
PPP	Public-Private Partnerships
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget and Implementation Plan

PART ONE

ANNUAL BUDGET

1. MAYOR'S REPORT

BUDGET SPEECH 2011 – 2012 MTREF BY HER WORSHIP THE MAYOR OF BA-PHALABORWA MUNICIPALITY, CLLR G D MUDUNUNGU

Mr Speaker

Members of the Executive Committee

All Councillors

Leaders of Various Religious Denominations

Distinguished Guest

Leaders of Political Parties

Members of my family

The August House at large

Good Afternoon,

It is a great Honour, for me to be presenting this budget, the last budget of the term of office of this council.

Mr Speaker.....

I borrow a little from Trevor Manuel who turned to the words of that great African author, Ben Okri, who writes

"They tell me that nature is the survival of the fittest. And yet look how many wondrous gold and yellow fishes prosper amongst the silent stones of the ocean beds, while sharks eternally prowl the waters in their impossible dreams of oceanic domination and while whales become extinct; look how many doves and antelopes, ants and fleas, birds of aquamarine plumage, birds that have mastered Chinua Achebe's art of flying without perching, how many butterflies and iguanas thrive, while elephants turn into endangered species, and while even lions growl in their dwindling solitude... Nature and history are not just about the survival of the fittest, but also about the survival of the wisest, the most adaptive and the most aware"

Ben Okri 'A Way of Being Free'

Mr Speaker, what we present today represents yet another step in the process of creating a Municipality that is strong, responsive to our changing circumstances and sensitive to the needs of those adversely affected.

This is the fifth year I stand before this House to present a Budget. In the Budgets of the past four years we have remained true to the IDP goals we set ourselves, and we have been alert to the changes required by the circumstances and challenges of our time. **Each one of the Budgets we have put before this house, including the 2011/2012 Budget we present here today, advances those goals, step by step.**

... We have to consider how we protect the poorest and most vulnerable in our society. We have to ensure that growth leads to greater equity and prosperity for all and to the narrowing of the chasm between rich and poor. These are the challenges we face. As Okri writes ' Nature and history are not just about the survival of the fittest, but also about the survival of the wisest, the most adaptive, and the most aware.'

This budget will be approved just 30 days before the Local Government Election, a big, important and critical event for our Democracy.

We would want to dedicate this Budget Day to Ma Lillian Ngoyi – Lillian Masediba Ngoyi, “MaNgoyi”. Ma Lillian Ngoyi was a South African anti-apartheid activist. She was the first woman elected into the Executive Committee of the African National Congress and helped in the launching of the Federation of South African Women.

I have chosen to dedicate this budget speech to Mama Lillian, not by error or favour, but because she is among those women, who stood up when things were not easy, and make meaningful contributions to the liberation struggle, women who formed, consciously a firm foundation for women emancipation in South Africa, so that you and me can be inspired, take the struggle for women emancipation further and also eat the fruits that come with emancipation.

When we look back as a nation, a country, women sector was one sector faced with triple oppression, you will agree that it has been a **“Rocky Long Road”**, but here we are, growing from one experience to another, in bettering the lives of our people.

The theme for this budget day is **“It has been a Rocky Long Road”**.

Mr Speaker, confined to the situation of this Council, the Council which has been constituted on 18 March 2006 has a report to share and has stories to tell.

After the inauguration of Council in 2006, after careful and close assessment of the municipality, we have identified poor revenue collection, lack of sound administration and systems, lack of proper consultation and sound relationships with strategic stakeholders as well as unclear Audits, as our challenges.

Counted in numbers the challenges might seem to be very few in the eyes of an outside person, BUT when closely looked into each and every challenge, unpack each challenge & what it takes, to address the challenge, you will realise that **“It has been a Rocky Long Road”**.

We are happy Mr Speaker, to report that we have managed to put in place sound administration – filling in some of the critical positions in our organogram, unfortunately as we speak now, the head of administration (MM) position is vacant due to circumstances beyond our control.

It must be noted Mr Speaker that we have not yet received an unqualified Audit opinion, BUT all the issues that the Auditor General has been raising in his opinion since back in 2003 we have successfully resolved them. The current Audit opinion raised only eleven (11) matters compared to 215 in the previous Audits. Most of the issues raised currently (among the 11) are falling off this year, and one (1) of the major two (2) that have caused us a disclaimer has been resolved already (i.e. water transactions).

The only major issue to be resolved is the difference between the Trial Balance and Journals which we believe administration is working to ensure that the two records tally during the end of the financial year.

Mr Speaker, if we don't receive an improved audit report in the next cycle, we must ask ourselves why, we must tell the communities why. The goal has been built, the stricker is in the 18 area, the goalkeeper is very far from the stricker, why can't it be a goal. In short Mr Speaker, I am saying a lot has been done on audit matters by the Council, the incoming Council will not only implement the budget but should also receive a better audit opinion on behalf of this Council.

On consultation, honourable Speaker we have closed many gaps that were in existence in 2006. Our public participation programme has improved in a remarkable way, we managed to establish a data base of stakeholders, we have established a strong relationship with our strategic partners, signed Ba-Phalaborwa Development Charter and the formation of the Advisory Board is one indication of the relationship with strategic partners.

The one challenge, which needs more efforts, undivided attention, unity and focus from the incoming Council, is poor revenue collection. And I hope and believe Mr Speaker that this thorny issue will not be equal to climbing a mountain for the incoming Council since we have identified a point of departure in improving revenue collection which should be an intensified programme on educating consumers or communities about the benefit & importance of paying for the services rendered to them.

And this can be successful only if the politically will is not divided. Division is the basis for a fall to many organizations and Ba-Phalaborwa Municipality is not an exception. **“It has been a Rocky Long Road”**.

Mr Speaker, the vision of the municipality is to be **“The Best Tourism Destination in Limpopo by 2020”**. We need to interact actively with our vision.

Whatever decision we take, it would be very important to check the contributions such a decision would make into the realisation of our vision. Our efforts in creating tourist attraction centres in the municipal area will always play a role in realizing our vision.

The question that I have is whether the Legislative arm understands and whether it is rallying around the vision of the municipality?

Or a vision is just one of the written statements? We should come up with the answer after careful assessment of ourselves, self introspection. We should be able to look for and find the value that you have added to the growth and prosperity of this municipality for the past five years.

We should do that exercise in order to strengthen and sharpen the appetite to think, participate, contribute and add value to our institution than sitting in a bus to nowhere. Our people, young and old, want us to grow the local economy, create jobs and create sustainable neighbourhoods.

Government has put more emphasis on the acceleration of service delivery and as such the IDP and Budget we are presenting for approval today, should ensure prioritization and a sense of urgency on the provision of community service needs.

Our IDP and Budget for 2011/2012 should assist Council to reduce service backlogs in our communities and further improve access to services for the poor.

Emphasis should also be made on job creation through service delivery activities and infrastructure development.

“It has been a Rocky Long Road”

Our commitment to accelerated service delivery is detailed in our Turn around Strategy which is part of the reviewed and ready to be approved IDP. In terms of the Turn- around Strategy, about five (5) key service delivery areas are identified:

- Enhancement of unqualified institutional management
- Increasing revenue collection
- Poverty alleviation through LED
- Improving environmental sustainability
- Provision of infrastructure and services

PROGRESS ON THE IMPLEMENTATION OF 2010/11 APPROVED AND FUNDED PROJECTS

Mr Speaker,

Allow me to report back on the progress made on the implementation of projects as adopted in 2010 -2015 IDP and 2010/11 approved Budget.

Electricity

- Humulani – 1137 have been electrified by Eskom
- Benfarm B & C – 1223 have been electrified by Eskom
- Matikoxikaya & Biko – 818 units will be electrified funded by INEG – expected completion in June 2011

Internal funded projects:

- Refurbishment of substations in Phalaborwa town – implementation in progress. To be completed end of April 2011.
- Upgrading of single phase to three phases - implementation in progress.
- Gravelotte New sites reticulation - implementation in progress and anticipated completion time is end May 2011.

Water projects

We have registered all our water projects and concerns to Mopani as Water Authority – they are busy addressing them every financial year.

Some of the resolutions taken with regard to water services with the District are that:

- Unfinished projects with regards to water must be communicated to the district for completion, which we did.
- All boreholes must be functional.

- Completion of Namakgale sewerage plant
- Funding of Phalaborwa sewerage plant

We still have areas where we are faced with serious challenges around water issues, for example:

The transfer of the water plant between Murchison Mine and Mopani which does not show any progress and Ba-Phalaborwa municipality continues to pay the water bill sent by the mine on behalf of the Gravelotte residents.

Murchison Mine in Gravelotte has also increased water tariffs for water supplied in the area without consulting the Municipality.

NDPG funded projects:

- Cultural village in Mashishimale
- Flea market and rest station along R71 road
- Intermodal bus and taxi ranks in Lulekani and Namakgale
- Hawkers facility in Maphuta Malatji
- Freedom and Memorial Precinct in Namakgale
- Selwane Thusong Service Centre

All the above projects have been completed and ready to be operational.

The majority of the NDPG projects were implemented through multi-year and as such the municipality has incurred costs that were not expected as the NDPG unit has not yet transfer funds to the municipality.

During the year under budget, no NDPG project implemented due to non- registered projects with the NDPG unit. The allocation for 2010/11 financial was not recognized correctly due to indirect funding that was included in the main budget and was only corrected during the adjustment budget in January 2011. It must further be noted that the earmarked projects funded by NDPG might not be attainable in this financial year.

MIG Funded projects

- Phalaborwa taxi rank & rehabilitation and tarring – projects just started
- Lulekani far east street tarring phase 3- Not yet resumed
- Tshelang- Kgape, Maphuta street paving Phase 4- consultants appointed
- Namakgale/ Nyakeleng street paving- Phase 3 - Project completed
- Humulani Matiko-xikaya street paving- specifications just drafted
- Kurhula street paving - Consultant appointed
- Phalaborwa taxi rank overhead walkway - specifications drafted
- Gravelotte street paving phase 2- project completed
- Makhushane street paving - Project on construction
- Selwane street paving - specifications drafted

- Majeje subsoil drainage - preliminary design completed
- Thepe trust bridge - Consultant appointed

Projects with partners:

Foskor LTD

The Foskor company has shown their social responsibility by committing an amount of R26million to assist the municipality in a multi-year basis on projects such as rehabilitation of streets in Phalaborwa, brick making project and rehabilitation of landfill site, extension and fencing of Bollanoto, to mention just but a few examples.

DBSA

The development bank has increased the partnership by funding the development charter that will assist the entire municipality on issues of developmental growth point and also enter in agreement with funding assistance to ensure that the municipality comply with legislative requirement by Unbundling the Electricity Assets in terms of General recognised Accounting Practice 17 (GRAP 17).

The bank is also partnering the municipality in the development of services in Extension 7 in Phalaborwa town.

PMC

- Upgrade of Latana substation (electricity) Phalaborwa Ext 1
- Waterbok Agric in Selwane village – multi-year

- Oil extraction in Makhushane village– Construction of depot has started.
- In total the commitment for Social Labour Plan and Corporate Social Investment – R50, 793, 949

Mr Speaker,

The budget and IDP are political documents, or statements.

We have robustly engaged on the draft so that we have a credible IDP & Budget, a budget that is realistic and stand to address the needs of our people. As we are approving the Budget today, we need to own this work collectively, even community engagements were also done by this collective. It must be noted that the decision by the municipality of paving our streets instead of tarring has a positive impact in terms of creation of job opportunities. *“I ndlompfu ya hina”*

2011/12 MEDIUM- TERM SERVICE DELIVERY OBJECTIVES WITH MEDIUM FINANCIAL IMPLICATIONS

Mr Speaker,

Our commitment to improve access to services to the poor and to ease the impact of the economic recession to our communities is to protect the poor of the poorest during these trying times. In terms of the treasury circular, the budget (2011/12) we are approving today should put emphasis on ensuring that we make services accessible and affordable, by making sure that we don't compromise sustainability of the municipality.

Literally, it means that our tariffs must be meaningful and without bias to any factors of political influence.

EPWP

Mintirho ya vulavula/ Mesomo e a bolela.

The municipality has been complemented by an allocation of R536 000 on the basis that municipality will continue to create jobs for our community.

Indigent support initiatives

Our budgets also recognise the support of our indigent households.

As council, we are still encouraging members of our community to come and register as indigents if indeed they fall within the category as stipulated by our policy, that is, a household with a total income of R1200 a month and R2200 for pensioners. The benefits of qualifying as an indigent are as follows:

- Free 6kl of water monthly
- Free 50kw of electricity monthly - token are collected at Eskom and paid by the municipality
- Free refuse removal monthly
- Free sanitation services monthly.

Mr Speaker,

It must be noted that indigent register is reviewed annually to check on whether households have not improved on their income.

Road shows for indigent registration have been conducted during the month of March 2011.

Tariffs

The 2011/12 tariffs have been reviewed and assessment has been conducted in order to assess affordability level of our communities.

However, NERSA is governing the electricity tariff increases and the municipality will be introducing sliding scale tariff on electricity. The annexure of tariff book is attached on the budget document to highlight the categories of increases. All other charges have been increased in terms of inflation targets except electricity.

It must be noted that consumers have been relieved by at least 18% on the first tariff band on water and second band by 10% and thereafter 6% is levied on addition to the previous rate on water.

Property rates have not been increased, but council is taking away the discount used to relief our consumers as part of rebate by 5%.

Another concern addressed is in respect of flats, where a plea has been made to the municipality on water tariffs and a new tariff band has been introduced to cater flat occupants, churches and schools.

Our communities are reminded to pay for the services rendered by Council in order to sustain the rendering of services, otherwise the municipality will have no option; rather than to impose credit control by-law.

"It has been a rocky long road" indeed

What does this budget offer?

Mr Speaker

Through internal sources of revenue, we have set aside a budget of R14, 572 million for own/ internal funded capital projects.

INTERNAL FUNDING PROJECTS

The project listed below are funded from internal sources of revenue

- | | |
|---|------------|
| • Integrated financial management system | R2,500,000 |
| • Namakgale storm water drainage | R3,000,000 |
| • Lulekani - Cemetery establishment | R2,000,000 |
| • Namakgale - Cemetery fencing | R1,000,000 |
| • Truck - Mobile water tanker | R500,000 |
| • Truck - Honey sucker | R500,000 |
| • Maintenance & refurbishment of overhead lines - PHB | R1,400,000 |
| • Truck - Street lights maintenance: Cherry picker | R500,000 |
| • Maintenance of selati substation - PHB | R600,000 |

• Street rehabilitation - PHB	R1,500,000
• Namakgale RDP - Electricity reticulation	R1,072,000
TOTAL OWN BUDGET FUNDING	R14, 572,000

It must be noted that most of our projects are multi-year for planning purpose.

INEG

- Garden view – 382 units will be electrified R3,056,000
- Kanana – 127 units will be electrified R1,016,000

Eskom Projects

- Maune - 43 units will be electrified R322,500
- Ntswelemotse – 54 units will be electrified R495,146
- Sebera – 240 units will be electrified R1,618,534

NDPG Projects

No project has been approved by the NDPG unit so far, allocation for 2011/12 is R10million.

The project highlighted below is earmarked if approved by NDPG unit

- Beautification of Lulekani R5m
- Beautification of Namakgale R5m

Mr Speaker, it must also be noted that the proposed projects are still on registration process.

MIG Projects

Namakgale Street paving _ Phase 4 (Multi-yr from 10/11)	R4,800,000
Thepe Trust Bridge_ (Multi-year from 10/11 to 2012)	R2,250,000
Majeje Subsoil drainage system_(Multi-yr from 10/11)	R2,500,000
Matiko-Xikaya street paving_ Phase 1	R 300,000
Kurhula street paving_ Phase 1	R1,400,000
Selwane streets paving _ Phase 1	R1,700,000
PHB Upgrading of Taxi Rank facilities _ (Multi-yr) _Unregistered	R 121,597
PHB taxi Rank Overhead walkway bridge_ (Multi-yr)_ Unregistered	R 200,000
Lulekani Hlekani street, Kerbing at Amazon_ Phase 4 _Unregistered	R4,500,000
Ba-Phalaborwa High mast light and energy savings _ Unregistered	R3,000,000

The allocation of MIG is R17, 129million in terms of Dora 2010.

It must be noted that all MIG projects are implemented in terms of EPWP guidelines. The detailed list of projects is attached on the draft IDP for 2011-2016.

Mopani District Projects

- Selwane Water Scheme
- Namakgale Sewerage Plant
- Upgrade of Phalaborwa Sewerage Plant
- Maseke to Mashishimale Road
- Closing & Rehabilitation of Disposal Site

Total value is R38, 200, 000

BUDGET SUMMARY

The budget funding the IDP programmes can be summarized as follows:

Operational revenue

- Property rates estimated at R36,200 million
- Electricity revenue estimated at R75,266 million
- Water revenue estimated at R78,320 million

- Transfer recognized operational revenue estimated at R58,292 million
- Other own revenue estimated at R42,708 million

Operational revenue is estimated at R290, 786 million and this excludes capital transfers and own contributions to capital assets

Communities are still reminded to pay for services in order to sustain the municipal services. The projects mentioned above will not be implemented if the expected revenue is not collected due to non-payment of services by community members.

Our expenditure

- Employee remunerations costs R83,717 million excluding social contributions
- Remunerations of Councillors R11,858 million
- Depreciation costs on assets R1,010 million
- Finance charges R945 thousands
- Bulk purchases on water and electricity R94,829 million
- Other materials costs R87,227 million

Capital programmes

- Capital transfers recognized on **grants R31,129 million**
- Internal generated funds on **surplus revenue R14,572 million**
- The total capital programmes for the 2011/2012 estimated at **R45,701 million**

ANNUAL BUDGET RESOLUTIONS

The Council of Ba-Phalaborwa Local Municipality in its ordinary seating on 18 April at 16h00 in the Lulekani Community Hall resolved as follows with regard to Approved Annual Budget for 2011/12 Medium-Term Revenue and Expenditure Framework:

Adopted Annual Budget for 2011/12 MTREF

Council resolved that the annual budget and MTREF and its supporting tables of the Ba-Phalaborwa municipality for the financial year 2011/12; be approved as set out in the following tables:

Table A1	Budget Summary
Table A2	Revenue and expenditure by standard classification
Table A3	Budgeted financial performance
Table A4	Budgeted financial performance
Table A5	Budgeted capital expenditure
Table A6	Financial position
Table A7	Budget cash flows
Table A8	Cash backed reserves, accumulated surplus reconciliation

Table A9	Asset Management,
Table A10	Basic service delivery measures

1.1. Annual Budget Supporting Tables for 2011/12 MTREF

That the annual budget of Ba-Phalaborwa municipality for the financial year 2011/12; and indicative figures for the two projected outer years 2012/13 and 2013/14 are approved as set-out in the following supporting tables:

Table SA1	Supporting details to budgeted financial performance
Table SA2	Consolidated Matrix Financial performance
Table SA3	Budgeted financial position
	Reconciliation of IDP strategic objectives and budget
Table SA4	(Revenue)
	Reconciliation of IDP strategic objectives and budget
Table SA5	(Operational Expenditure)
Table SA6	Reconciliation of IDP strategic objectives and budget(Capital Expenditure)
Table SA7	Measurable performance objective
Table SA8	Performance indicators and benchmark
Table SA9	Social, economic and demographic statistics and assumptions

Table SA10	Funding Measurements
Table SA11	Property rates summary,
Table SA12&13	Property rates category
Table SA14	Household bills
Table SA15	Investment particulars
Table SA16	Investment particulars by maturity
Table SA17	Borrowing, Council should note
Table SA18	Transfer and grant receipt
Table SA19	Expenditure on transfer and grant programme
Table SA20	Reconciliation of transfer, grant receipt and unspent funds
Table SA21	Transfer and grants made by the municipality
Table SA22	Summary councillor and staff benefits
Table SA23	Salaries, allowances & benefits
Table SA24	
Table SA25	Budgeted monthly revenue and expenditure (Standard Item)
Table SA26	Budgeted monthly revenue and expenditure (Municipal vote)
Table SA27	Budgeted monthly revenue and expenditure (Standard classification)
Table SA28	Budgeted monthly capital expenditure(Municipal vote)
Table SA29	Budgeted monthly capital expenditure(Standard classification)

Table SA30	Budgeted monthly cash flow
Table SA33	Contract having future budgetary implications
Table SA34	Capital expenditure by asset classification
Table SA35	Future financial implications of the capital budget
Table SA36	Detailed capital budget
Table SA37	Detailed capital projects delayed from previous financial

a) Property Rates and other municipal tax

Council resolves that property rates and other municipal tax as reflected on Tariff Schedule (Annexure A) are imposed for the budget year 2011/12

b) Tariffs and charges

Council resolves that tariffs and charges reflected on Tariff Schedule (Annexure A) are approved for 2011/12 budget year.

c) Integrated Development Plan

Council resolves that the Integrated Development Plan tabled with this budget be adopted

d) Credit Control, Debt Collection

Council resolves that the reviewed credit control, debt collection and Consumer Care Policies be approved for 2011/12 financial year

e) Indigent Policies

Council resolves that the reviewed Indigent Household Consumers Subsidy Policy be approved for 2011/12 financial year.

f) Indigent Support

1.1.1. Council resolves to support indigents households approved as per indigent household consumer policy

1.1.2. Council further resolves that, in the event that the total subsidy in respect of approved indigents exceeds the budgeted amount, the excess amount be re-allocated from the current provision for bad debts to the relevant indigent subsidies, in view of the fact that the current bad debt is adequately provided for and the resolution related to the approval of the Indigent Policy will remain intact.

1.1.3. Council resolves that for the 2011/12 financial year the indigents are subsidized as set out in Household Consumer and Subsidy Policy and that the subsidy will consist of the following:

- ❖ 6 kl of water per indigent household per month, where metered, alternatively the flat rate levied xx
- ❖ 50 kw of electricity per indigent household per month, where metered, alternatively the flat rate levied
- ❖ 100% Free refuse removal from residential stands in accordance with the Tariff Schedule

- ❖ 100% Free sewer services to residential stands in accordance with the municipality's Tariff Schedule
- ❖ Payment of Rates and Taxes on a residential property in accordance with the municipality's Property Rates and Tariff Policies
- ❖ Payment of rental on council-occupied residential property in accordance with the municipality's Tariff Policy

g) Budget related policies

Council resolves that the following 2011/12 budget related policies be approved:

- ❖ Property Rates Policy
- ❖ Tariff Policy
- ❖ Credit Control Policy
- ❖ Debt Collection Policy
- ❖ Indigent Household Consumer Subsidy policy
- ❖ budget policy
- ❖ virement policy

h) Service Delivery and Budget Implementation Plan (SDBIP)

Council note that SDBIP will be approved by the Mayor after 28 working days from today.

"It has been a rocky long road"

Allow me Mr Speaker to go back to Mama Ngoyi. Lillian Ngoyi was not an intellectual, rather she was known as a strong orator and a fiery inspiration to many of her colleagues in the ANC.

She was arrested in 1956, spent 71 days in solitary confinement, and was for a period of 11 years placed under severe bans and restrictions that often confined her to her home in Orlando, Soweto. Lillian Ngoyi's inspired me, her life story made me strong as a woman, very strong and determined to lead against all odds, stereotypes, spirits of Judas Iscariot, during the tenure of Mayoralship in Ba-Phalaborwa Municipality **"It has been a Rocky Long Road"** indeed.

As I conclude Mr Speaker, I want to use this opportunity to thank members of the community, ward committees and CDWs who supported the course of service delivery, through paying their bills every month, through attending, participating and making meaningful contributions into our planning and consultations, implementation and monitoring of service delivery programme **"Minga karhali, mfumo lowu iwa n'wina"**.

To our strategic partners in development, we thank you for your continuous unshaken support to the course of Community Development, keep it up!, there is no amount of words that can sufficiently and properly describe how grateful we are. **“Together We Can Build Better & Sustainable Communities”.**

Members of the Executive Committees, political office bearers, all councillors, our administration led by the AMM, I thank you for your support to this Council, and to me as the political head of the municipality, if it was not of your commitment, today it would look or seem as if 2006 did not happen.

We have managed to transform and shape the municipality into an accountable & consultative institution because of your support.

Even those, whose task throughout our term of office were to detract us, demoralise us and wish for our failures, we thank you, because you made us very strong and vigilant. Thank you a million times.

I want to take this opportunity and send our tributes to the fallen soldiers from the political or legislative arm of Ba-Phalaborwa Municipality.

- Cllr and a Comrade Cindy Mpangane, who has been brutally murdered

- Cllr and Comrade Phillip Moagi who died of illness
- The late Chief Whip , a patriot, Cllr Jomo Mhlanga who died of illness

May their souls rest in peace, **“Siya ni khumbula Maqabane”**.

“It has been a Rocky Long Road”

*There are no joys without mountains having been climbed.
There are no joys without the nightmares that precede them and spring them into light...
The joys that spring from the challenges are profound. And the challenges will always be there. As long as there are
human beings there will be challenges. Let no one speak (to me) of frontiers exhausted, all challenges met, all
problems solved.
There is always the joy of discovering, uncovering, and forging
new forms, new ways...
(Ben Okri, A Way of Being Free, 1997)*

Hi khensile

Re a leboga

Baie dankie

Thank you

Cllr. GD. MUDUNUNGU

MAYOR OF BA-PHALABORWA LOCAL MUNICIPALITY

2. ANNUAL BUDGET RESOLUTIONS

The Council of Ba-Phalaborwa Local Municipality in its seating on 18 April 2011 at 16h00 in the Lulekani Community Hall in Lulekani resolved as follows with regard to adoption Budget for 2011/12 Medium-Term Revenue and Expenditure Framework:

2.1. Adopted Annual Budget for 2011/12 MTREF

Council resolved that the annual budget and MTREF and its supporting tables of the Ba-Phalaborwa municipality for the financial year 2011/12; be approved as set out in the following tables:

Table A1	Budget Summary
Table A2	Revenue and expenditure by standard classification
Table A3	Budgeted financial performance
Table A4	Budgeted financial performance
Table A5	Budgeted capital expenditure
Table A6	Financial position
Table A7	Budget cash flows
Table A8	Cash backed reserves, accumulated surplus reconciliation
Table A9	Asset Management,
Table A10	Basic service delivery measures

2.2. Annual Budget Supporting Tables for 2010/11 MTREF

That the annual budget of Ba-Phalaborwa municipality for the financial year 2011/12; and indicative figures for the two projected outer years 2012/13 and 2013/14 are approved as set-out in the following supporting tables:

Table SA1	Supporting details to budgeted financial performance
Table SA2	Consolidated Matrix Financial performance
Table SA3	Budgeted financial position
Table SA4	Reconciliation of IDP strategic objectives and budget(Revenue)
Table SA5	Reconciliation of IDP strategic objectives and budget(Operational Expenditure)
Table SA6	Reconciliation of IDP strategic objectives and budget(Capital Expenditure)
Table SA7	Measurable performance objective
Table SA8	Performance indicators and benchmark
Table SA9	Social, economic and demographic statistics and assumptions
Table SA10	Funding Measurements
Table SA11	Property rates summary,
Table SA12&13	Property rates category
Table SA14	Household bills
Table SA15	Investment particulars
Table SA16	Investment particulars by maturity

Table SA17	Borrowing, Council should note
Table SA18	Transfer and grant receipt
Table SA19	Expenditure on transfer and grant programme
Table SA20	Reconciliation of transfer, grant receipt and unspent funds
Table SA21	Transfer and grants made by the municipality
Table SA22	Summary councillor and staff benefits
Table SA23	Salaries, allowances & benefits
Table SA24	Summary of personnel numbers
Table SA25	Budgeted monthly revenue and expenditure (Standard Item)
Table SA26	Budgeted monthly revenue and expenditure (Municipal vote)
Table SA27	Budgeted monthly revenue and expenditure (Standard classification)
Table SA28	Budgeted monthly capital expenditure(Municipal vote)
Table SA29	Budgeted monthly capital expenditure(Standard classification)
Table SA30	Budgeted monthly cash flow
Table SA33	Contract having future budgetary implications
Table SA34	Capital expenditure by asset classification
Table SA35	Future financial implications of the capital budget
Table SA36	Detailed capital budget
Table SA37	Detailed capital projects delayed from previous financial

2.3. Property Rates and other municipal tax

Council resolves that property rates and other municipal tax as reflected on Tariff Schedule (Annexure A) are imposed for the budget year 2011/12

2.4. Tariffs and charges

Council resolves that tariffs and charges reflected on Tariff Schedule (Annexure A) are approved for 2011/12 budget year.

2.5. Integrated Development Plan

Council resolves that the Integrated Development Plan tabled with this budget be adopted

2.6. Credit Control, Debt Collection

Council resolves that the credit control, debt collection and Consumer Care Policies be approved for 2011/12 financial year

2.7. Indigent Policies

Council resolves that the Indigent Household Consumers Subsidy Policy be approved for 2011/12 financial year.

2.8. Indigent Support

2.8.1. Council resolves to support indigents households approved as per indigent household consumer policy

2.8.2. Council further resolves that, in the event that the total subsidy in respect of approved indigents exceeds the budgeted amount, the excess amount be re-allocated from the current provision for bad debts to the relevant indigent subsidies, in view of the fact that the current bad debt is adequately provided for and the resolution related to the approval of the Indigent Policy will remain intact.

2.8.3. Council resolves that for the 2011/12 financial year the indigents are subsidized as set out in Household Consumer and Subsidy Policy and that the subsidy will consist of the following:

- ❖ 6 kl of water per indigent household per month, where metered, alternatively the flat rate levied
- ❖ 50 kw of electricity per indigent household per month, where metered, alternatively the flat rate levied
- ❖ 100% Free refuse removal from residential stands in accordance with the Tariff Schedule
- ❖ 100% Free sewer services to residential stands in accordance with the municipality's Tariff Schedule
- ❖ Payment of Rates and Taxes on a residential property in accordance with the municipality's Property Rates and Tariff Policies
- ❖ Payment of rental on council-occupied residential property in accordance with the municipality's Tariff Policy

2.9. Budget related policies

Council resolves that the following 2011/12 budget related policies be approved:

- ❖ Property Rates Policy

- ❖ Tariff Policy

- ❖ Credit Control Policy

- ❖ Debt Collection Policy

- ❖ Indigent Household Consumer Subsidy policy

2.10. Service Delivery and Budget Implementation Plan (SDBIP)

Council note that the draft SDBIP will be approved by the Mayor shortly (28 days) after the budget is approved.

CLLR MD MAAKE
SPEAKER OF BA-PHALABORWA LOCAL MUNICIPALITY COUNCIL

3. EXECUTIVE SUMMARY

1. INTRODUCTION

Given the 2011 local government elections is an important occasions_ when we as a country, reaffirm our commitment to democratic and accountable government by choosing representative of the people who will guide the work of local government for the next five (5) years. During this transition, all role- players need to work together to ensure municipality continue to perform their functions efficiently and effectively.

It is particularly important to ensure that preparation of IDP and Budget continue smoothly by ensuring we need to input on the budget document to safeguards the financial sustainability of the municipality.

There has been a significant decline on our municipality's Medium- Term Revenue and Expenditure Framework budget compared to the previous year budget projection outlook. The decline attributed by poor revenue collection due to known factors such as boycotts by Ratepayers Association and other organization such as SANCO disputing on the basis of lack/ inadequate services. During the first six (6) months of the financial year, the collection depicted under-collection of R47 million versus billing on the anticipated original budget and as such the municipality has to revise the projected budget downwards from R339 million to R302 million.

The budget takes into effect issues of backlog electrification, cemetery establishment and fencing, honey sucker, rehabilitation of streets, street paving and cherry picker-truck. The service delivery gaps analysis comes at time when revenue sources are under severe pressure in the country from Global economic meltdown conditions. The CPI targets growth gradual is recovering on the budget year as follows, 4.8 per cent, 5.3 per cent and 5.5 percent for 2011/12, 2012/13 and 2013/14. The economy of our country is recovering

on a very slow pace. The GDP inflation targets estimated at 5.5 per cent, 5.4 per cent and 5.8 per cent in the year 2011/12, 2013 and 2013/14 respectively.

The municipality's tariff for the financial year 2011/12 has taken into account all costs associated to delivery of such services, treasury guidelines in terms of MFMA section 42, Circular 54 and Nersa guidelines

- o Rates- 0% increase but no rebate applicable
- o Electricity (introduction of inclining blocks tariff)
- o Water (Revised to cater inputs gathered during the year)
- o Sanitation 6% increase
- o Refuse 6% increase
- o Other chargeable services at 6%

It must be noted that basic charge in respect of electricity will be R84, 80 Vat exclusive instead R112 previously charged.

The revenue tariff increase is prompted by increase in operational expenditures in 2010/11 financial year in an attempt to service backlog repairs and maintenance of infrastructure in our areas that is of serious concern or in bad state.

The expenditure estimates for 2011/12 financial year increases as follows:

- o Capital expenditure - 15%
- o Remunerations and social contributions -33%
- o Bulk purchases – 29%
- o General expenses – 13%

- o Vehicle expenses – 2%
- o Indigent support – 1%
- o Repairs and maintenance – 8%

The total revenue decrease from R339 million to R336 million, the two outer years revenue estimated at R389 million and R423 million in 2012/13 and 2013/14 respectively.

The budget funds main strategic focus in terms of the draft IDP 2011/12 and National priorities. Although the municipality struggle to collect revenue at its maximum, the budget prioritizes service delivery programmes in line with National Government priorities and District Budget Lekgotla.

The National government priority set clear tones to the municipal budget are ought to be:

- Ensuring that drinking water meets the required quality standards at all times in terms of water authorities
- Protecting the poor from the worst impacts of the slow recovery in the labour market
- Supporting meaningful economic development (LED) initiatives that foster micro and small business opportunities and job creation
- Securing the health of municipal asset base that generate revenue by increasing spending on repairs and maintenance
- Increase spending on capital projects that are funded by conditional grants

There were assumptions made in determining the annual budget in ensuring funding of approved programmes geared towards Service delivery backlogs and gaps:

- o Dora application in terms of grant funding
- o Setting aside funds to fund internal projects that are not funded in the grant

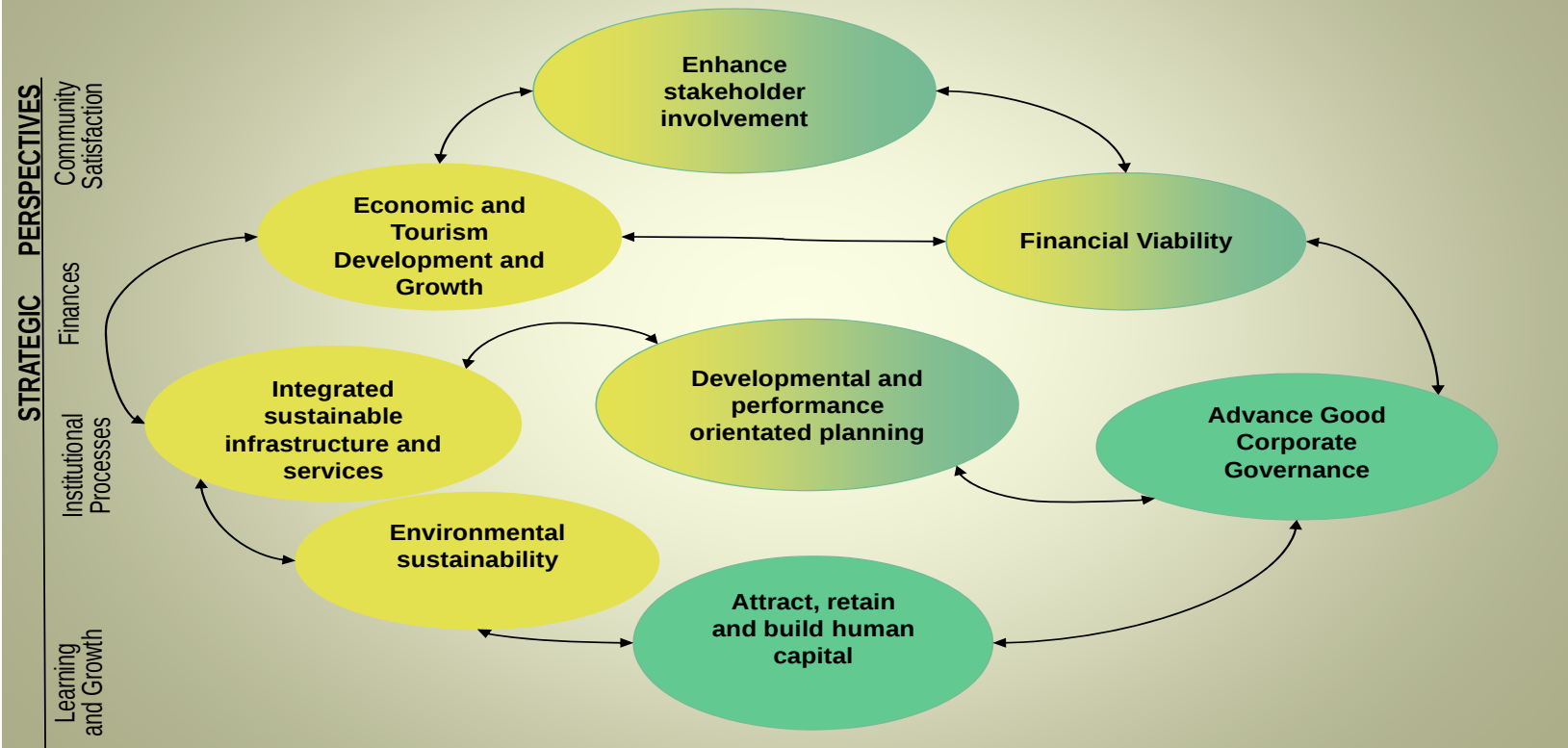
- o Allocation of repairs and maintenance to deal with infrastructure for especial revenue generating assets
- o Employee related costs taken into account anticipated increase at 9%
- o Ward committee stipend
- o Prioritizations of critical posts to be filled
- o LED support through small business initiatives

The budget funds the following main strategic focus of the IDP and service delivery turnaround strategy. The graphical presentation below illustrates the municipality's strategic focus for 2011/12 financial year.

A. F MUSHWANA
ACTING CHIEF FINANCIAL OFFICER

Best Tourist destination in Limpopo by 2020

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4. ANNUAL BUDGET TABLES

4.1. BUDGET SUMMARY

Table A1 Budget Summary

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Financial Performance										
Property rates	22,000	21,200	30,470	33,212	33,212	33,212	33,212	36,200	39,460	43,011
Service charges	86,726	95,512	173,332	152,957	150,121	150,121	150,121	166,394	181,369	197,693
Investment revenue	–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational	47,970	53,604	41,206	52,552	52,547	52,547	52,547	58,954	61,694	69,328
Other own revenue	30,688	18,390	63,304	57,866	26,629	26,629	26,629	43,810	58,605	63,880
Total Revenue (excluding capital transfers and contributions)	187,384	188,706	308,312	296,587	262,509	262,509	262,509	305,358	341,128	373,911
Employee costs	49,498	56,342	106,782	82,692	83,143	83,143	83,143	98,246	107,088	116,726
Remuneration of councillors	–	–	–	10,940	11,510	11,510	11,510	11,858	12,930	14,094
Depreciation & asset impairment	–	–	–	–	–	–	–	1,010	1,200	1,308
Finance charges	–	–	–	867	937	937	937	945	1,031	1,123
Materials and bulk purchases	67,476	19,590	97,329	73,175	79,175	79,175	79,175	94,829	104,416	113,813
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	99,129	131,112	139,513	171,358	129,137	129,137	129,137	129,598	162,291	177,373
Total Expenditure	216,103	207,044	343,624	339,033	303,902	303,902	303,902	336,487	388,955	424,438
Surplus/(Deficit)	(28,719)	(18,338)	(35,312)	(42,446)	(41,393)	(41,393)	(41,393)	(31,129)	(47,827)	(50,527)
Transfers recognised - capital	28,719	18,338	35,312	42,446	41,393	41,393	41,393	31,129	47,827	50,527
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–

Surplus/(Deficit) after capital transfers & contributions	–	–	–	–	–	–	–	0	0	0
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	–	–	–	–	–	–	–	0	0	0
<u>Capital expenditure & funds sources</u>										
Capital expenditure	60,446	25,398	42,312	80,496	57,855	57,256	57,136	45,701	71,673	76,519
Transfers recognised - capital	31,874	18,338	35,312	42,446	40,242	40,242	40,242	31,129	47,827	50,527
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	24,057	–	–	–	–	–	–	–	–	–
Internally generated funds	4,515	7,060	6,000	38,050	17,613	17,613	17,613	14,572	23,846	25,992
Total sources of capital funds	60,446	25,398	41,312	80,496	57,855	57,855	57,855	45,701	71,673	76,519
<u>Financial position</u>										
Total current assets	91,871	143,711	66,303	109,076	125,248	125,248	125,248	137,772	192,881	154,305
Total non current assets	–	–	297,650	325,617	986,491	986,491	986,491	1,085,140	1,519,196	1,215,357
Total current liabilities	–	–	251,115	348,892	41,409	41,409	997,785	14,978	23,653	21,980
Total non current liabilities	–	–	73,000	58,600	–	–	–	–	–	–
Community wealth/Equity	–	–	39,837	27,201	1,070,330	1,070,330	113,954	1,207,934	1,688,425	1,347,682
<u>Cash flows</u>										
Net cash from (used) operating	47,970	53,604	41,312	80,246	54,942	54,942	54,942	41,345	62,054	71,083
Net cash from (used) investing	(4,766)	(8,838)	(41,312)	(76,746)	(54,105)	(54,105)	(54,105)	(41,001)	(61,771)	(67,588)
Net cash from (used) financing	–	–	–	–	(150)	(150)	(150)	(150)	–	–
Cash/cash equivalents at the year end	20,000	64,766	64,766	12,375	13,062	13,062	13,062	3,693	3,976	7,471
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	–	–	8,963	5,939	11,555	11,555	11,555	12,711	17,795	14,236
Application of cash and investments	(85,676)	(133,926)	204,608	203,111	(76,147)	(76,147)	(76,147)	(70,213)	(102,738)	(96,239)
Balance - surplus (shortfall)	85,676	133,926	(195,645)	(197,172)	87,702	87,702	87,702	82,923	120,533	110,475

<u>Asset management</u>										
Asset register summary (WDV)	-	-	6,780	5,459	1,328	1,328	1,461	1,461	2,045	1,636
Depreciation & asset impairment	-	-	-	-	-	-	1,010	1,010	1,200	1,308
Renewal of Existing Assets	-	-	-	19,423	21,365	23,502	-	-	-	-
Repairs and Maintenance	-	-	14,480	30,755	8,780	9,555	25,800	25,800	30,122	32,832
<u>Free services</u>										
Cost of Free Basic Services provided	-	-	-	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<u>Households below minimum service level</u>										
Water:	-	-	-	15,146	15,146	15,146	15,146	15,146	15,146	15,146
Sanitation/sewerage:	-	-	-	26,792	26,792	26,792	26,792	26,792	26,792	26,792
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

4.2. BUDGETED FINANCIAL PERFORMANCE

Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue - Standard										
Governance and administration		27,974	36,139	76,459	84,736	80,048	80,048	124,507	145,165	161,678
Executive and council		12,094	14,977	13,123	24,118	26,230	26,230	–	–	–
Budget and treasury office		10,271	11,978	45,006	35,838	32,338	32,338	121,840	145,165	158,216
Corporate services		5,609	9,184	18,329	24,780	21,480	21,480	2,667	–	3,463
Community and public safety		21,204	19,994	34,463	35,614	30,914	30,914	13,922	15,175	16,540
Community and social services		12,756	10,617	23,933	24,572	21,672	21,672	12,995	14,165	15,439
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		8,448	9,377	9,030	11,042	9,242	9,242	927	1,010	1,101
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	1,500	–	–	–	–	–	–
Economic and environmental services		25,582	28,396	36,717	82,675	68,481	68,481	27,665	45,827	44,527
Planning and development		12,326	13,682	7,087	20,152	16,262	16,262	–	–	–
Road transport		13,256	14,714	29,630	62,523	52,219	52,219	27,665	45,827	44,527
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		112,624	104,177	125,760	136,008	124,460	124,460	170,394	182,788	201,692
Electricity		31,836	42,143	63,732	62,308	65,996	65,996	78,266	82,369	92,235
Water		62,145	41,334	40,975	43,943	31,943	31,943	78,320	85,369	93,052
Waste water management		12,235	13,581	8,031	13,053	12,917	12,917	8,425	9,183	10,010
Waste management		6,408	7,119	13,022	16,704	13,604	13,604	5,383	5,868	6,396
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	187,384	188,706	273,399	339,033	303,902	303,902	336,487	388,955	424,438
Expenditure - Standard										
Governance and administration	-	27,974	36,139	76,459	84,736	80,048	80,048	87,034	87,677	95,765
Executive and council		12,094	14,977	13,123	24,118	26,230	26,230	25,775	30,384	33,118
Budget and treasury office		10,271	11,978	45,006	35,838	32,338	32,338	33,943	30,176	33,089
Corporate services		5,609	9,184	18,329	24,780	21,480	21,480	27,315	27,118	29,558

Community and public safety		21,204	19,994	34,463	35,614	30,914	30,914	50,669	55,229	60,200
Community and social services		12,756	10,617	23,933	24,572	21,672	21,672	43,168	47,053	51,288
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		8,448	9,377	9,030	11,042	9,242	9,242	7,501	8,176	8,912
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	1,500	–	–	–	–	–	–
Economic and environmental services		25,582	28,396	36,717	82,675	68,481	68,481	53,062	54,131	57,163
Planning and development		12,326	13,682	7,087	20,152	16,262	16,262	6,464	7,045	7,679
Road transport		13,256	14,714	29,630	62,523	52,219	52,219	46,598	47,085	49,484
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		112,624	104,177	125,760	136,008	124,460	124,460	145,722	191,918	211,309
Electricity		31,836	42,143	63,732	62,308	65,996	65,996	91,655	116,107	147,072
Water		62,145	41,334	40,975	43,943	31,943	31,943	37,262	57,494	44,271
Waste water management		12,235	13,581	8,031	13,053	12,917	12,917	12,287	13,393	14,599
Waste management		6,408	7,119	13,022	16,704	13,604	13,604	4,517	4,924	5,367
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	3	187,384	188,706	273,399	339,033	303,902	303,902	336,487	388,955	424,438
Surplus/(Deficit) for the year										

4.3. BUDGETED FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue by Vote	1									
Vote1 - Executive and Council		18,502	14,977	8,044	13,894	16,006	16,006	–	–	–
Vote2 - Budget and Treasury Department		10,271	11,978	45,006	35,838	32,338	32,338	121,840	145,165	158,216
Vote3 - Corporate Services		5,609	11,471	18,329	24,780	21,480	21,480	2,667	–	3,463
Vote4 - Community and Social Services		27,612	25,059	47,485	35,614	30,914	30,914	19,305	21,042	22,936
Vote5 - Planning and Development		12,326	14,682	7,087	20,152	16,262	16,262	–	–	–
Vote6 - Technical Services Department		119,472	131,350	142,368	181,827	163,075	163,075	192,676	222,747	239,824
Example 7 - Vote7		–	–	–	–	–	–	–	–	–
Example 8 - Vote8		–	–	–	–	–	–	–	–	–
Example 9 - Vote9		–	–	–	–	–	–	–	–	–
Example 10 - Vote10		–	–	–	–	–	–	–	–	–
Example 11 - Vote11		–	–	–	–	–	–	–	–	–
Example 12 - Vote12		–	–	–	–	–	–	–	–	–
Example 13 - Vote13		–	–	–	–	–	–	–	–	–
Example 14 - Vote14		–	–	–	–	–	–	–	–	–
Example 15 - Vote15		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	193,792	209,517	268,320	312,105	280,074	280,074	336,487	388,955	424,438
Expenditure by Vote to be appropriated	1									
Vote1 - Executive and Council		18,502	14,977	8,044	13,894	16,006	16,006	25,775	28,095	30,623
Vote2 - Budget and Treasury Department		10,271	11,978	45,006	35,838	32,338	32,338	33,943	30,176	33,089
Vote3 - Corporate Services		5,609	11,471	18,329	24,780	21,480	21,480	27,315	29,774	32,453
Vote4 - Community and Social Services		27,612	25,059	47,485	35,614	30,914	30,914	48,510	51,241	55,853
Vote5 - Planning and Development		12,326	14,682	7,087	20,152	16,262	16,262	6,464	7,045	7,679
Vote6 - Technical Services Department		119,472	131,350	142,368	181,827	163,075	163,075	194,479	242,624	264,740
Example 7 - Vote7		–	–	–	–	–	–	–	–	–
Example 8 - Vote8		–	–	–	–	–	–	–	–	–
Example 9 - Vote9		–	–	–	–	–	–	–	–	–
Example 10 - Vote10		–	–	–	–	–	–	–	–	–
Example 11 - Vote11		–	–	–	–	–	–	–	–	–

Example 12 - Vote12		-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	193,792	209,517	268,320	312,105	280,074	280,074	336,487	388,955	424,438
Surplus/(Deficit) for the year	2	-	-	-	-	-	-	0	0	0

4.4. BUDGETED MUNICIPAL PERFORMANCE REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand	1										
<u>Revenue By Source</u>											
Property rates	2	22,000	21,200	30,470	33,212	33,212	33,212	33,212	36,200	39,460	43,011
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	31,459	46,302	62,508	68,134	65,144	65,144	65,144	74,266	80,950	88,235
Service charges - water revenue	2	33,908	37,900	93,847	71,853	71,003	71,003	71,003	78,320	85,369	93,052
Service charges - sanitation revenue	2	8,670	6,100	10,682	7,729	6,974	6,974	6,974	8,425	9,183	10,010
Service charges - refuse revenue	2	5,109	3,420	6,295	4,939	7,000	7,000	7,000	5,383	5,868	6,396
Service charges - other		7,580	1,790	-	302						
Rental of facilities and equipment		210	200	305	351				-	-	-
Interest earned - external investments					-						
Interest earned - outstanding debtors		8,011	5,190	41,000	32,294	5,775	5,775	5,775	26,389	39,289	42,825
Dividends received		-			-	-					
Fines		633	700	780	850	748	748	748	927	1,010	1,101
Licences and permits		11,834	9,300	14,581	11,922	7,797	7,797	7,797	12,995	14,165	15,439
Agency services		-			-	-					
		47,970	53,604	41,206	52,552			52,547			
Transfers recognised - operational						52,547	52,547		58,954	61,694	69,328

Other revenue	2	–	–	3,138	8,949	8,809	8,809	8,809	–	–	–
Gains on disposal of PPE		10,000	3,000	3,500	3,500	3,500	3,500	3,500	3,500	4,142	4,515
Total Revenue (excluding capital transfers and contributions)		187,384	188,706	308,312	296,587	262,509	262,509	262,509	305,358	341,128	373,911
Expenditure By Type	-										
Employee related costs	2	49,498	56,342	106,782	82,692	83,143	83,143	83,143	98,246	107,088	116,726
Remuneration of councillors		–	–	–	10,940	11,510	11,510	11,510	11,858	12,930	14,094
Debt impairment	3										
Depreciation & asset impairment	2	–	–	–	–	–	–	–	1,010	1,200	1,308
Finance charges					867	937	937	937	945	1,031	1,123
Bulk purchases	2	67,476	19,590	97,329	73,175	79,175	79,175	79,175	94,829	104,416	113,813
Other materials	8										
Contracted services		–	–	2,700	6,900	8,521	8,521	8,521	16,897	13,189	14,376
Transfers and grants											
Other expenditure	4, 5	99,129	131,112	136,813	164,458	120,616	120,616	120,616	112,701	149,102	162,997
Loss on disposal of PPE											
Total Expenditure		216,103	207,044	343,624	339,033	303,902	303,902	303,902	336,487	388,955	424,438
Surplus/(Deficit)		(28,719)	(18,338)	(35,312)	(42,446)	(41,393)	(41,393)	(41,393)	(31,129)	(47,827)	(50,527)
Transfers recognised - capital		28,719	18,338	35,312	42,446	41,393	41,393	41,393	31,129	47,827	50,527
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		–	–	–	–	–	–	–	0	0	0
Taxation											
Surplus/(Deficit) after taxation		–	–	–	–	–	–	–	0	0	0
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		–	–	–	–	–	–	–	0	0	0
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		–	–	–	–	–	–	–	0	0	0

4.5. BUDGETED CAPITAL EXPENDITURE BY VOTE

Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote1 - Executive and Council		1,343	–	–	716	616	616	616	–	–	–
Vote2 - Budget and Treasury Department		347	–	2,500	4,150	1,560	1,560	1,560	2,500	2,000	–
Vote3 - Corporate Services		–	–	11,000	5,775	1,945	1,945	1,945	–	–	–
Vote4 - Community and Social Services		14,444	240	15,000	20,652	15,982	15,982	15,982	3,000	3,300	3,630
Vote5 - Planning and Development		3,500	9,600	–	2,055	75	75	75	–	–	–
Vote6 - Technical Services Department		40,812	15,558	12,812	47,148	37,677	37,677	37,677	40,201	66,373	72,889
Example 7 - Vote7		–	–	–	–	–	–	–	–	–	–
Example 8 - Vote8		–	–	–	–	–	–	–	–	–	–
Example 9 - Vote9		–	–	–	–	–	–	–	–	–	–
Example 10 - Vote10		–	–	–	–	–	–	–	–	–	–
Example 11 - Vote11		–	–	–	–	–	–	–	–	–	–
Example 12 - Vote12		–	–	–	–	–	–	–	–	–	–
Example 13 - Vote13		–	–	–	–	–	–	–	–	–	–
Example 14 - Vote14		–	–	–	–	–	–	–	–	–	–
Example 15 - Vote15		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	60,446	25,398	41,312	80,496	57,855	57,855	57,855	45,701	71,673	76,519
Single-year expenditure to be appropriated	2										
Vote1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote2 - Budget and Treasury Department		–	–	–	–	–	–	–	–	–	–
Vote3 - Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote4 - Community and Social Services		–	–	–	–	–	–	–	–	–	–
Vote5 - Planning and Development		–	–	–	–	–	–	–	–	–	–
Vote6 - Technical Services Department		–	–	–	–	–	–	–	–	–	–
Example 7 - Vote7		–	–	–	–	–	–	–	–	–	–
Example 8 - Vote8		–	–	–	–	–	–	–	–	–	–
Example 9 - Vote9		–	–	–	–	–	–	–	–	–	–

Example 10 - Vote10		-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11		-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12		-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		60,446	25,398	41,312	80,496	57,855	57,855	57,855	45,701	71,673	76,519
<u>Capital Expenditure - Standard</u>											
<i>Governance and administration</i>		1,690	-	4,500	10,641	4,121	4,121	4,121	2,500	2,000	-
Executive and council		1,343	-	-	716	616	616	616			
Budget and treasury office		347	-	3,500	4,150	1,560	1,560	1,560	2,500	2,000	-
Corporate services		-	-	1,000	5,775	1,945	1,945	1,945	-		
<i>Community and public safety</i>		1,229	-	15,000	20,652	15,982	15,982	15,862	3,000	3,300	3,630
Community and social services		266	-	13,500	19,152	15,862	15,862	15,862	3,000	3,300	3,630
Sport and recreation		561	-	-	-	-	-	-			
Public safety		402	-	-	1,500	120	120				
Housing		-	-	1,500	-	-	-	-			
Health		-	-	-	-	-	-	-			
<i>Economic and environmental services</i>		13,031	18,438	22,812	26,872	23,767	23,168	23,168	31,629	50,827	52,083
Planning and development		3,500	9,600	-	2,055	75	1,772	1,772			
Road transport		9,531	8,838	22,812	24,817	23,692	21,397	21,397	31,629	50,827	52,083
Environmental protection		-	-	-	-	-	-	-			
<i>Trading services</i>		36,589	240	-	22,331	13,985	13,985	13,985	8,572	15,546	20,806
Electricity		-	-	-	15,508	11,032	11,032	11,032	7,572	12,000	15,906
Water		7,374	-	-	100	100	100	100	500	2,066	2,272
Waste water management		16,000	-	-	3,170	-	-	-	500	1,480	2,628
Waste management		13,215	240	-	3,553	2,853	2,853	2,853			
<i>Other</i>		7,907	6,720	-	-	-	-	-			
Total Capital Expenditure - Standard	3	60,446	25,398	42,312	80,496	57,855	57,256	57,136	45,701	71,673	76,519
<u>Funded by:</u>											
National Government		8,500	18,338	35,312	42,446	40,242	40,242	40,242	31,129	47,827	50,527
Provincial Government		-	-	-	-	-	-	-	-	-	-

District Municipality		23,374	–	–							
Other transfers and grants		–	–	–							
Transfers recognised - capital	4	31,874	18,338	35,312	42,446	40,242	40,242	40,242	31,129	47,827	50,527
Public contributions & donations	5	–	–	–							
Borrowing	6	24,057	–	–							
Internally generated funds		4,515	7,060	6,000	38,050	17,613	17,613	17,613	14,572	23,846	25,992
Total Capital Funding	7	60,446	25,398	41,312	80,496	57,855	57,855	57,855	45,701	71,673	76,519

4.6. BUDGETED FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table A6 Budgeted Financial Position

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
ASSETS											
Current assets											
Cash				8,875	5,763	11,424	11,424	11,424	12,566	17,593	14,074
Call investment deposits	1	–	–	88	88	131	131	131	144	202	161
Consumer debtors	1	–	–	57,340	76,500	102,414	102,414	102,414	112,656	157,718	126,174
Other debtors		85,676	133,926	–	–	–	–	–	–	–	–
Current portion of long-term receivables		163	88	–	20,875	4,778	4,778	4,778	5,256	7,359	5,887
Inventory	2	6,032	9,697	–	5,850	6,500	6,500	6,500	7,150	10,010	8,008
Total current assets		91,871	143,711	66,303	109,076	125,248	125,248	125,248	137,772	192,881	154,305
Non current assets											
Long-term receivables				–	3,498	23,497	23,497	23,497	25,847	36,185	28,948
Investments				–	88	–	–	–	–	–	–
Investment property				–	–	–	–	–	–	–	–
Investment in Associate				–	–	–	–	–	–	–	–
Property, plant and equipment	3	–	–	290,869	316,572	961,666	961,666	961,666	1,057,833	1,480,966	1,184,773
Agricultural				132	146	146	146	146	160	224	179
Biological				–	–	132	132	132	146	204	163
Intangible				6,648	5,313	1,050	1,050	1,050	1,155	1,617	1,294
Other non-current assets				–	–	–	–	–	–	–	–
Total non current assets		–	–	297,650	325,617	986,491	986,491	986,491	1,085,140	1,519,196	1,215,357
TOTAL ASSETS		91,871	143,711	363,953	434,693	1,111,739	1,111,739		1,222,913	1,712,078	1,369,662

								1,111,739			
LIABILITIES											
Current liabilities	-										
Bank overdraft	1										
Borrowing	4	-	-	1,983	2,181	-	-	-	-	-	-
Consumer deposits				-	56,780	3,168	3,168	1,050	1,155	1,617	1,294
Trade and other payables	4	-	-	242,532	277,260	10,244	10,244	10,244	13,823	22,036	20,687
Provisions				6,600	12,670	27,996	27,996	986,491	-	-	-
Total current liabilities		-	-	251,115	348,892	41,409	41,409	997,785	14,978	23,653	21,980
Non current liabilities											
Borrowing		-	-	6,000	6,600	-	-	-	-	-	-
Provisions		-	-	67,000	52,000	-	-	-	-	-	-
Total non current liabilities		-	-	73,000	58,600	-	-	-	-	-	-
TOTAL LIABILITIES		-	-	324,115	407,492	41,409	41,409	997,785	14,978	23,653	21,980
NET ASSETS	5	91,871	143,711	39,837	27,201	1,070,330	1,070,330	113,954	1,207,934	1,688,425	1,347,682
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)				39,837	27,201	1,070,330	1,070,330	113,954	1,207,934	1,688,425	1,347,682
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	39,837	27,201	1,070,330	1,070,330	113,954	1,207,934	1,688,425	1,347,682

4.7. BUDGETED CASH FLOWS

LIM334 Ba-Phalaborwa - Table A7 Budgeted Cash Flows

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		139,476	135,102	251,245	244,035	231,162	231,162	231,162	193,500	232,200	278,640
Government - operating	1	43,204	44,766	57,067	52,552	52,547	52,547	52,547	58,954	61,694	65,772
Government - capital	1	4,766	8,838	35,312	42,446	41,393	41,393	41,393	32,129	47,827	52,083
Interest		–	–	–							
Dividends		–	–	–							
Payments											
Suppliers and employees		(137,376)	(134,196)	(299,642)	(257,911)	(269,214)	(269,214)	(269,214)	(242,293)	(278,637)	(324,289)
Finance charges		(2,100)	(906)	(2,670)	(876)	(946)	(946)	(946)	(945)	(1,031)	(1,123)
Transfers and Grants	1	–	–	–							
NET CASH FROM/(USED) OPERATING ACTIVITIES		47,970	53,604	41,312	80,246	54,942	54,942	54,942	41,345	62,054	71,083
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE					3,500	3,500	3,500	3,500	3,500	4,142	4,515
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(4,766)	(8,838)	(41,312)	(80,246)	(57,605)	(57,605)	(57,605)	(44,501)	(65,913)	(72,103)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4,766)	(8,838)	(41,312)	(76,746)	(54,105)	(54,105)	(54,105)	(41,001)	(61,771)	(67,588)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											

Payments											
Repayment of borrowing						(150)	(150)	(150)	(150)		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	(150)	(150)	(150)	(150)	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		43,204	44,766	-	3,500	687	687	687	193	283	3,495
Cash/cash equivalents at the year begin:	2	(23,204)	20,000	64,766	8,875	12,375	12,375	12,375	3,500	3,693	3,976
Cash/cash equivalents at the year end:	2	20,000	64,766	64,766	12,375	13,062	13,062	13,062	3,693	3,976	7,471

4.8. CASH BACKED RESERVES/ACCUMULATED SURPLUSES

LIM334 Ba-Phalaborwa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	20,000	64,766	64,766	12,375	13,062	13,062	13,062	3,693	3,976	7,471
Other current investments > 90 days		(20,000)	(64,766)	(55,803)	(6,524)	(1,507)	(1,507)	(1,507)	9,017	13,819	6,765
Non current assets - Investments	1	-	-	-	88	-	-	-	-	-	-
Cash and investments available:		-	-	8,963	5,939	11,555	11,555	11,555	12,711	17,795	14,236
<u>Application of cash and investments</u>											
Unspent conditional transfers		-	-	7,042	-	-	-	-	-	-	-
Other working capital requirements	3	(85,676)	(133,926)	197,565	203,111	(76,147)	(76,147)	(76,147)	(70,213)	(102,738)	(96,239)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(85,676)	(133,926)	204,608	203,111	(76,147)	(76,147)	(76,147)	(70,213)	(102,738)	(96,239)
Surplus(shortfall)		85,676	133,926	(195,645)	(197,172)	87,702	87,702	87,702	82,923	120,533	110,475

4.9. ASSET MANAGEMENT

LIM334 Ba-Phalaborwa - Table A9 Asset Management

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	45,504	48,532	39,042	50,104	28,059	20,059	45,701	71,673	76,519
Infrastructure - Road transport		11,500	8,838	14,602	19,242	12,659	12,659	31,629	50,827	52,083
Infrastructure - Electricity		7,907	6,720	2,000	7,400	7,400	7,400	7,572	12,000	15,906
Infrastructure - Water		11,102	7,374	-	-	-	-	-	-	-
Infrastructure - Sanitation		6,800	16,000	240	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		37,309	38,932	16,842	26,642	20,059	20,059	39,201	62,827	67,989
Community		1,500	-	12,200	14,962	-	-	3,000	3,300	3,630
Heritage assets		-	-	2,000	-	-	-	-	-	-
Investment properties		-	-	-	500	-	-	-	-	-
Other assets	6	6,695	9,600	3,500	8,000	8,000	-	1,000	3,546	4,901
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	4,500	-	-	-	2,500	2,000	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	19,423	21,365	23,502	-	-	-
Infrastructure - Road transport		-	-	-	1,500	1,650	1,815	-	-	-
Infrastructure - Electricity		-	-	-	7,500	8,250	9,075	-	-	-
Infrastructure - Water		-	-	-	2,520	2,772	3,049	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	2,503	2,753	3,029	-	-	-
Infrastructure	-	-	-	-	14,023	15,425	16,968	-	-	-
Community	-	-	-	-	1,500	1,650	1,815	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-

Investment properties	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	3,900	4,290	4,719	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4									
Infrastructure - Road transport		11,500	8,838	14,602	20,742	14,309	14,474	31,629	50,827	52,083
Infrastructure - Electricity		7,907	6,720	2,000	14,900	15,650	16,475	7,572	12,000	15,906
Infrastructure - Water		11,102	7,374	-	2,520	2,772	3,049	-	-	-
Infrastructure - Sanitation		6,800	16,000	240	-	-	-	-	-	-
Infrastructure - Other		-	-	-	2,503	2,753	3,029	-	-	-
Infrastructure		37,309	38,932	16,842	40,665	35,484	37,027	39,201	62,827	67,989
Community		1,500	-	12,200	16,462	1,650	1,815	3,000	3,300	3,630
Heritage assets		-	-	2,000	-	-	-	-	-	-
Investment properties		-	-	-	500	-	-	-	-	-
Other assets		6,695	9,600	3,500	11,900	12,290	4,719	1,000	3,546	4,901
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	4,500	-	-	-	2,500	2,000	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	45,504	48,532	39,042	69,527	49,424	43,561	45,701	71,673	76,519
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										

Heritage assets										
Investment properties		–	–	–	–	–	–	–	–	–
Other assets										
Agricultural Assets		–	–	132	146	146	146	160	224	179
Biological assets		–	–	–	–	132	132	146	204	163
Intangibles		–	–	6,648	5,313	1,050	1,050	1,155	1,617	1,294
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	–	–	6,780	5,459	1,328	1,328	1,461	2,045	1,636
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		–	–	–	–	–	–	1,010	1,200	1,308
<u>Repairs and Maintenance by Asset Class</u>	3	–	–	14,480	30,755	8,780	9,555	25,800	30,122	32,832
Infrastructure - Road transport		–	–	2,732	9,795	3,036	3,036	4,200	4,904	5,345
Infrastructure - Electricity		–	–	3,068	2,500	–	775	4,500	5,254	5,727
Infrastructure - Water		–	–	1,000	–	–	–	6,200	7,239	7,890
Infrastructure - Sanitation		–	–	500	–	–	–	2,100	2,452	2,672
Infrastructure - Other		–	–	370	–	–	–	1,500	1,751	1,909
Infrastructure		–	–	7,670	12,295	3,036	3,811	18,500	21,599	23,543
Community		–	–	3,120	11,560	3,604	3,604	3,000	3,503	3,818
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	–	–	3,690	6,900	2,139	2,139	4,300	5,020	5,472
TOTAL EXPENDITURE OTHER ITEMS		–	–	14,480	30,755	8,780	9,555	26,810	31,322	34,141
<i>Renewal of Existing Assets as % of total capex</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>27.9%</i>	<i>43.2%</i>	<i>54.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Renewal of Existing Assets as % of deprecn"</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>R&M as a % of PPE</i>		<i>0.0%</i>	<i>0.0%</i>	<i>5.0%</i>	<i>9.7%</i>	<i>0.9%</i>	<i>1.0%</i>	<i>2.4%</i>	<i>2.0%</i>	<i>2.8%</i>
<i>Renewal and R&M as a % of PPE</i>		<i>0.0%</i>	<i>0.0%</i>	<i>214.0%</i>	<i>919.0%</i>	<i>2270.0%</i>	<i>2489.0%</i>	<i>1766.0%</i>	<i>1473.0%</i>	<i>2007.0%</i>

4.10. BASIC SERVICE DELIVERY MEASUREMENT

LIM334 Ba-Phalaborwa - Table A10 Basic service delivery measurement

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Household service targets (000)	1									
<u>Water:</u>										
Piped water inside dwelling				12	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)				17	0	0	0	0	0	0
Using public tap (at least min.service level)	2			4	0	0	0	0	0	0
Other water supply (at least min.service level)	4			0	1	1	1	1	1	1
<i>Minimum Service Level and Above sub-total</i>		–	–	33	1	1	1	1	1	1
Using public tap (< min.service level)	3			–	–	–	–	–	–	–
Other water supply (< min.service level)	4			–	14	14	14	14	14	14
No water supply				–	1	1	1	1	1	1
<i>Below Minimum Service Level sub-total</i>		–	–	–	15	15	15	15	15	15
Total number of households	5	–	–	33	16	16	16	16	16	16
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)				14	19	19	19	19	19	19
Flush toilet (with septic tank)				1	–	–	–	–	–	–
Chemical toilet			–	–	8	8	8	8	8	8
Pit toilet (ventilated)				4	7	7	7	7	7	7
Other toilet provisions (> min.service level)				4	15	15	15	15	15	15
<i>Minimum Service Level and Above sub-total</i>		–	–	19	48	48	48	48	48	48
Bucket toilet				–	–	–	–	–	–	–
Other toilet provisions (< min.service level)				–	27	27	27	27	27	27
No toilet provisions				–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	27	27	27	27	27	27
Total number of households	5	–	–	75	75	75	75	75	75	75

<u>Energy:</u>									
Electricity (at least min.service level)			34	7	7	7	7	7	7
Electricity - prepaid (min.service level)			-						
<i>Minimum Service Level and Above sub-total</i>	-	-	34	7	7	7	7	7	7
Electricity (< min.service level)				-	-				
Electricity - prepaid (< min. service level)				-	-				
Other energy sources				-	-				
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	34	7	7	7	7	7
<u>Refuse:</u>									
Removed at least once a week				-					
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Removed less frequently than once a week				-					
Using communal refuse dump				-					
Using own refuse dump				-					
Other rubbish disposal				-					
No rubbish disposal				-					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-
<u>Households receiving Free Basic Service</u>	7								
Water (6 kilolitres per household per month)				-	-				
Sanitation (free minimum level service)				-	-				
Electricity/other energy (50kwh per household per month)			-	-	-				
Refuse (removed at least once a week)				2,400	2,400	2,400	2,400	2,400	2,400
<u>Cost of Free Basic Services provided (R'000)</u>	8				2,400	2,400	2,400	2,400	2,400
Water (6 kilolitres per household per month)				-	-	-			
Sanitation (free sanitation service)				-	-	-			
Electricity/other energy (50kwh per household per month)			-	-	-	-			
Refuse (removed once a week)				0	-	-			
Total cost of FBS provided (minimum social package)		-	-	-	2,400	2,400	2,400	2,400	2,400
<u>Highest level of free service provided</u>									
Property rates (R value threshold)					-				

Water (kilolitres per household per month)				-	-	-	-			
Sanitation (kilolitres per household per month)				-	-	-	-			
Sanitation (Rand per household per month)				-	-	-	-			
Electricity (kwh per household per month)				-	-	-	-			
Refuse (average litres per week)				-	-	-	-			
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)					-					
Property rates (other exemptions, reductions and rebates)					-					
Water					-					
Sanitation					-					
Electricity/other energy					-					
Refuse					-					
Municipal Housing - rental rebates					-					
Housing - top structure subsidies	6				-					
Other					-					
Total revenue cost of free services provided (total social package)		-	-	-	-	-	-	-	-	-

PART TWO

ANNUAL BUDGET SUPPORTING INFORMATION

5. OVERVIEW OF ANNUAL BUDGET

5.1. Schedule of key deadlines relating to budget process

A budget calendar relating to IDP/Budget and PMS process plan (MFMA s21 (1) (b)) was compiled and approved by the municipal Council in August 2010 and revised in January 2011 in order to cater local government elections activities. The table comprised of the following:

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	IDP		31 July 2010
July 2010	Budget		
	Establish Departmental Budget Committees (include councillors & officials).	23/07/2010 – 03/09/2010	
	PMS		
	- Compilation of 2009/10 4th quarterly report - Conclude 2010/11 annual performance agreements - Compilation of 2009/10 IDP Implementation Report - Submit final approved SDBIP	01/07/2010 - 11/07/2010 01/07/2010 - 31/07/2010 01/07/2010 - 31/08/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	2010/11	31/07/2010	
August 2010	IDP		
	- IDP/Budget Operational Teams meetings (Process Plan) - IDP/Budget Technical Committee meeting (Process Plan) - IDP/Budget Steering Committee meeting (Process Plan) - Establish appropriate committees and consultation forums. Adopt a schedule for community involvement - IDP Representative (Rep) Forum (Process Plan) - Mayor tables IDP/Budget/PMS Process Plan in Council	12/08/2010 16/08/2010 18/08/2010 18/08/2010 24/08/2010 31/08/2010	
	Budget		
	2009/10 internal analysis of financial and non-financial performance. Determine financial position and assess financial capacity against future strategies.	31/08/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
August 2010	PMS		
	- Place 2009/10 quarterly (section 52) report on budget implementation on the municipal website. - Make public the 2010/11 SDBIP - Make public 2010/11 annual performance agreements and ensure copies are provided to council and MEC: DLGH - Submission of 2009/10 Departmental Annual Performance Reports. - Place 2010/11 annual performance agreements on the municipal website.	04/08/2010 11/08/2010 11/08/2010 12/08/2010 16/08/2010	
September 2010	IDP		30 September 2010
	Analysis Phase: 2009/10 IDP implementation feedback: First Quarter Mayoral Imbizo - Data collection (ward-based	01/09/2010 – 10/09/2010 01/09/2010 – 30/09/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	planning) Data analysis and interpretation	01/09/2010 – 08/10/2010	
	Budget		
	- Determine the funding revenue envelope potential (tariff review by departments) - Prepare initial allocation based on financial capacity & future outlook - Table indicative allocations to financial committee - Conclude initial consultation review and establish direction and policy, confirm priorities, identify other financial and non-financial budget parameters. Submission of priorities by departmental budget committees.	03/09/2010 – 26/09/2010 08/09/2010–26/09/2010 17/09/2010 29/10/2010	
	PMS		
	Submission of draft 2009/10 departmental annual reports	25/09/2010	
September 2010	Budget		30 September 2010

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	• Circulate budget schedules to all departments • Consolidate draft core departments business plans & budgets • Review resources frames and financial strategies	• 30/09/2010 – 05/11/2010 • 30/09/2010 – 05/11/2010 • 30/09/2010 – 05/11/2010	31 October 2010
October 2010	IDP		
	ANALYSIS & STRATEGIES PHASES • IDP/Budget Operational Teams (Analysis Phase) • IDP/Budget Technical Committee (Analysis Phase) • Portfolio Committee meeting (Analysis Phase) • Advisory Board meeting with Municipal Manager • IDP/Budget Steering Committee (Analysis Phase) • Rep. Forum (Data presentation &	• 08/10/2010 • 12/10/2010 • 14/10/2010 • 11/10/2010 - 14/10/2010 • 19/10/2010 • 21/10/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	prioritization of needs) Strategic session	28/10/2010 – 29/10/2010	
	Budget		
	- Commence preparation for the 2010/14 departmental operational plans and service delivery and budget implementation plan aligned to strategic priorities in IDP and inputs from other stakeholders including government and bulk service providers (and NERSA) - Submission of departmental adjustment budgets - Departmental budgets inputs for 2011/14	15/12/2010 15/12/2010 15/12/2010	
	PMS		
	- Individual Performance assessments (First Quarter) - Continuation of preparations for the 2009/10 annual report utilizing financial and non-	01/10/2010 – 30/10/2010 01/10/2010 – 30/10/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	financial information first reviewed as part of the budget and IDP analysis. • Compilation of first quarter performance report. • Mayoral Imbizo on first quarter performance	• 01/10/2010 – 30/10/2010 • 14/11/2010	
November 2010	IDP		November 2010
	STRATEGIES PHASE • IDP/Budget Operational Teams (Strategies) • Develop list of projects (Strategies) • IDP/Budget Technical Committee (Strategies) • Advisory Board meeting with Municipal Manager • IDP/Budget Steering Committee (Strategies) • IDP/Budget Rep Forum	• 02/11/2010 • 02/11/2010 – 16/11/2010 • 04/11/2010 • 11/10/2010 • 18/11/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	(Strategies)		
	Budget		
	Community and stakeholder consultation process, review inputs, financial models, assess impacts on tariffs and charges and consider funding decisions including borrowing. Adjust estimates based on plans and resources. Commence consultation on the proposed tariffs. Check the tariff submission date and align	02/11/2010 – 27/11/2010	
December 2010	IDP		
	PROJECTS PHASE Review project design sheets	01/12/2010 – 23/12/2010	
	Budget		
	Finalise the 2011/14 inputs from bulk resource providers (and NERSA) and agree on proposed price increase. (Align after	01/12/2010	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	submission of proposed tariffs)		
	PMS		
	• Oversight Training of all councillors for probing the 2009/10 • Finalise the draft 2009/10 annual report incorporating financial and non-financial information on performance, audit reports and annual financial statements. • Present Draft Annual Report to EXCO	• 01/12/2010 – 14/12/2010 • 14/12/2010 • 17/12/2010	
January 2011	IDP		31 January 2011
	PROJECTS PHASE & INTEGRATION PHASE • Projects prioritization task team(Projects prioritization) • IDP/Budget Technical Committee (Projects prioritization) • Advisory Board meeting with Municipal Manager • IDP/Budget Steering Committee (Projects Prioritization) • Joint Portfolio Committees	• 11/01/2011 – 13/01/2011 • 18/01/2011 • 20/01/2011 • 25/01/2011	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	seating (Priority list) • IDP Representative Forum (priority list)	• 27/01/2011	
	Budget		
	• Mid-Year Performance Assessment and recommend and adjustment budget, if necessary. • Incorporate priorities from the President's State of the Nation Address, National Treasury and SALGA for further budget consideration. • Review all aspects of the 2011/14 budget including any unforeseen and unavoidable expenditure in light of need for an adjustment budget. • Tabling and approval of an adjustments budget (if necessary) • Submit the 2011/14 approved adjustments budget to the Provincial & National Treasury & any other affected organ of state (10 days after approval.)	• 25/01/2011 • 21/01/2011 – 25/02/2011 • 11/01/2011 – 25/01/2011 • 25/01/2011 • 11/03/2011	
	PMS		

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	• Compilation of 2010/11 Mid-year report • Mayor tables 2009/10 annual report to council. • Make public the 2009/10 annual report and invite comments from local community, submit report to the Auditor-General, Provincial Treasury & DLGH • Consider monthly & mid-year reports for the period ended 31 December, review implementation of budget and service delivery and budget implementation plan, identify problems and amend or recommend appropriate amendments. Submit report to council and make public any amendment to the SDBIP – due end of month. • Mayor reports to Council the status of next three year budget, 2009/10 annual report (including AFS & audit report) and summarizes overall findings of 2009/10 annual performance	• 03/01/2011 – 21/01/2011 • 31/01/2011 • 31/01/2011 • 31/01/2011 • 31/01/2011	

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	report. • Individual Performance Assessments (Second Quarter)	• 13/01/2011 – 31/01/2011	
February 2011	IDP		28 February 2011
	APPROVAL PHASE(DRAFT IDP, BUDGET & PMS) • IDP/Budget Operational Teams (Draft IDP, Budget & PMS) • IDP/Budget Technical Committee (Draft IDP/Budget) • Advisory Board meeting with Municipal Manager • IDP/Budget Steering Committee Meeting (Draft IDP document) • IDP/Budget Representative Forum • Establishment of Public Participation Project Team • Mayor table the Draft IDP, Budget & PMS in Council for adoption	• 08/02/2011 • 10/02/2011 • 15/02/2011 • 22/02/2011 • 28/02/2011 • 28/02/2011	
	PMS		
	• Place the 2009/10 annual report on the municipal website.	• 05/02/2011	
March 2011	IDP		31 March 2011

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	APPROVAL PHASE(DRAFT IDP, BUDGET & PMS) Publicizing public participation schedule.	28/02/2011	
March 2011	Budget - Consultation on tabled IDP, Budget & PMS, publicise and conduct public hearings and meetings within wards. - Consider the views of the community and other stakeholders on the 2011/14 budget. - Respond to submissions received & if necessary revise the budget and table amendments for council consideration. - IDP/Budget Operational Teams (Analysis & integration of public comments) - IDP/Budget Technical Committee (Analysis & integration of public comments) - IDP/Budget Steering Committee (Analysis and integration of public	19/03/2011 – 25/03/2011 19/03/2011 – 25/03/2011 28/03/2011 29/03/2011 31/03/2011 31/03/2011	31 March 2011

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	comments)		
April 2011	IDP, BUDGET & PMS		Adoption of Final IDP, Budget & PMS 18 April 2011
	APPROVAL PHASE (Final IDP, Budget & PMS - IDP/Budget & PMS Rep Forum (Analysis & Integration of public comments - Adjustment of IDP/Budget in accordance with public comments and Budget - EXCO considers Draft IDP/Budget and PMS Mayor tables Final IDP/Budget and PMS in Council for final approval/adoption.	06/04/2011 06/04/2011 11/04/2011 18/04/2011	
June 2011	IDP		
	- Summary of IDP - Public notice on adoption of IDP/Budget	01/06/2011 – 15/06/2011 15/06/2011	
	Budget		
	Submit approved IDP/Budget to National & Provincial Treasury, DLGH and District	30/06/2011	
	PMS		

MONTH	ACTIVITY	Time-Frame	
		BA-PHALABORWA	MOPANI
	• Submit draft SDBIP to the Mayor • Submit draft annual performance agreements to the Mayor • Approve the 2011/12 SDBIP - final date under legislation 28 July	• 16/06/2011 • 28/06/2011 • 30/06/2011	

5.2. Process for tabling the budget in council for consultation

The community were invited to public participation meetings to discuss the Draft IDP and Tabled Budget for 2011/12. The public participation started on 07 March 2011. Schedules of these meetings has been published in local newspapers when coming to this Council seating, placed on municipal offices and libraries and broadcasted in the local Radio Stations. The municipality will also publish the IDP and Budget on the municipality's website on the 3rd March 2011. The Draft IDP and Tabled Budget documents for public comments closed on 25 March 2011, all comments were incorporated in the final documents:

Inputs were received in the following areas:

- ❖ All libraries across the area of jurisdiction of the Ba-Phalaborwa Municipality
- ❖ Lulekani Municipal Offices;
- ❖ Namakgale Municipal Offices
- ❖ Gravelotte Municipal Offices
- ❖ Municipal Official Website
- ❖ Phalaborwa Municipal Offices

5.3. Process for tabling the budget in council for consideration of approval

The community were consulted extensively including all stakeholders throughout the municipal area for inputs. The Council of Ba-Phalaborwa Municipality will be approving the budget in terms of the MFMA and the Constitution of the Republic of South Africa on 18 April 2011 after due consideration of community inputs into the budget, budget policies and tariff schedule.

5.4. Model used to prioritise resource allocation

The capital projects funding are as per the Division of Revenue Act/ Bill (2011) allocation for NDPG, INEG and MIG Conditional grant funding as well as municipal own generated revenues. National, Provincial and Local government priorities were given preference with regard to allocating resources. Treasury Circular 54 clearly put emphasis on tough decision when coming to prioritisation on the expenditure. Priority ought to be given to the following:

- Ensuring that drinking water meets the required quality standards at all times
- Protecting the poor from the worst impacts of the slow recovery in the labour markets
- Supporting meaningful economic development (LED) initiatives that foster micro and small business opportunities and job creation
- Securing the health of their assets base (especially revenue's generating assets) by increasing spending on repairs and maintenance
- Expediting spending on capital projects that are funded by conditional grants

Treasury also discourages municipalities on spending on nice-to- have items and non essential activities, such as foreign travel, councillor and staff perks, advertising and public relations activities.

The revenue estimates from municipal major sources of income were distributed to fund service delivery programmes and projects.

5.5. Process to record and integrate inputs from the community in the final budget

Community inputs with regard to the tabled budget are recorded and will be considered for final approval by Council. The inputs should be submitted in writing and also in the various public participation meetings were held in March 2011 as per the schedule under 5.2 above.

6. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

6.1. VISION OF THE MUNICIPALITY

The vision was therefore revised as follows:

“Best tourist destination in Limpopo by 2020”

6.2. FIVE YEAR STRATEGIC FOCUS AREA

Good governance and institutional excellence: The learning and growth perspective entails skills development and capacitating of employees. Employees are the foundation of the municipality; if employees are skilled and capacitated they will improve the ways they work and both service delivery and individual performance will improve. This perspective will also include leadership and management training. This objective will address NSDP priority area “Effective administration and governance structure.”

Provide, maintain and upgrade municipal assets and services: The core function of the municipality is to provide access to services. Ba-Phalaborwa experiences the following challenges as mentioned under the binding constraints in the strategic alignment and which is directly linked to the NSDP and PGDS: Infrastructure development, poor maintenance plans and infrastructure development plans. If these are not addressed, the municipality will not be able to provide sustainable services to the community and investment and economic growth in the municipal area will be challenged.

Environmental sustainability: PGDS strategic objective deals with environmental sustainability and climate change. A priority mentioned in the PGDS is that all municipalities have to have environmental management plans in place by 2011. Also mentioned are waste management plans, recycling of waste and water and alternative energy plan. Ba-Phalaborwa plays a leading role in the achievement of this objective as mentioned under NSDP and PGDS priorities.

Develop effective and sustainable stakeholder relationships and partnerships: With the small revenue base it is crucial that partnerships be formed and stakeholder relationships built to ensure cooperation and development of Ba-Phalaborwa and its community. Ba-Phalaborwa has established strategic relationships with the mines, Phalaborwa Foundation and DBSA. Stakeholder management, however, is not structured.

Facilitate local economic growth and provide for mobility and access: The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's location has established it as developmental and economic nodes in tourism, mining, agriculture and a service node.

Become financially viable: To be sustainable, it is necessary for the municipality to increase its revenue base through expanding its collection points, partnership and investment in the area. Again, investment will only be achieved if the necessary infrastructure is provided and therefore maintenance, upgrading and replacement of infrastructure is of utmost importance for the municipality.

Ensure community well-being; Community well-being does not only have to do with provision of services, but also deals with priorities such as HIV/Aids, education, health, safety and security and literacy. Ba-Phalaborwa strives, together with its stakeholders and partnerships to achieve on all these priorities to ensure healthy and sustained community.

6.3. ALIGNMENT OF IDP WITH NATIONAL AND PROVINCIAL GOVERNMENT

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
Community Satisfaction	Improve the health profile of society	Fostering Development Partnerships, Social Cohesion and community mobilisation	Strengthen partnerships between local government, communities and civil society	Access to quality education Improved health care	Deepened democracy through a refined ward committee model	Enhance stakeholder involvement
	Building of cohesive, caring and sustainable communities					

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
Financial	Speed up economic growth and transform the economy to create decent work and sustainable livelihoods.			Ensuring more inclusive economic growth, decent work and sustainable livelihoods	Implement the community work programme and cooperatives supported	Economic and tourism development and growth
					Improved municipal financial capacity	Financial viability
Institutional					Implement a differentiated approach to municipal financing, planning and support	Developmental and performance orientated planning
					Improved access to basic services	
	Programmes to build economic and social infrastructure	Accelerating service delivery and supporting the vulnerable	Ensure that municipalities meet the basic needs of communities	Provision of economic and social infrastructure	Improved access to basic services	Integrated sustainable infrastructure and services
				Cohesive and sustained communities		

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
	Comprehensive rural development strategy linked to land and agrarian reform and food security			Rural development, food security and land reform	Actions supportive of human settlement outcomes	Developmental and performance orientated planning
Institutional	Sustainable resource management and use			Sustainable resource management and use		Environmental sustainability
	Building of a developmental state including improving of public services and strengthening democratic institutions	Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive	Build clean, responsive and accountable local government	A developmental state including improvement of public services	Single Window of coordination	Good corporate governance
		Strengthen Accountability and Clean Government	Improve functionality, performance and professionalism in municipalities			
			Improve national and provincial policy, support and oversight to local government			

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
	Intensify the fight against crime and corruption			Fighting crime and corruption		
Institutional	Pursuing African advancement and enhanced international cooperation	Improving the Developmental Capability of the Institution of Traditional Leadership.		Creation of a better Africa and a better world		Good Corporate Governance
Learning and Growth	Strengthening of skills and human resource base				Improved administrative capacity	Attract, retain and build human capital

7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

7.1. Key Financial Indicators and ratios

Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<u>Borrowing Management</u>											
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	0.0%	0.0%	1.6%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Credit Rating		0	0	0	0	0	0	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.0%	0.3%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	0.0%	0.0%	813.6%	1498.1%	3.9%	3.9%	875.6%	1.2%	1.4%	1.6%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	–	–	0.3	0.3	3.0	3.0	0.1	9.2	8.2	7.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	–	–	0.3	0.3	3.0	3.0	0.1	9.2	8.2	7.0
Liquidity Ratio	Monetary Assets/Current Liabilities	–	–	0.0	0.0	0.3	0.3	0.0	0.8	0.8	0.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		114.9%	106.5%	112.9%	112.9%	112.9%	112.9%	115.2%	89.4%	98.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	45.8%	71.0%	18.6%	34.0%	49.8%	49.8%	49.8%	47.1%	59.0%	43.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										

Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Funding of Provisions											
Provisions not funded - %	Unfunded Provns./Total Provisions										
Other Indicators											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	26.4%	29.9%	34.6%	27.9%	31.7%	31.7%	31.7%	32.2%	31.4%	31.2%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	40.9%	41.8%	30.5%	31.6%	36.1%	36.1%		36.1%	35.2%	35.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.3%	0.4%	0.4%	0.4%	0.6%	0.7%	0.7%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	–	1,626.9	1,626.9	1,626.9	1,399.7	–	–	–
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	78.8%	114.6%	28.1%	52.2%	58.5%	58.5%	58.5%	58.2%	74.8%	54.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.1	10.2	3.8	0.9	0.9	0.9	0.9	0.2	0.2	0.3

7.2. Measurable Performance Objectives and Indicators

LIM334 Ba-Phalaborwa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2007/8	2008/9	2009/10	Current Year 2010/11			MTREF		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Governance & Administration										
Executive and Council										
Municipal Manager										
<i>Municipal Manager</i>										
Sub-function 2 -Budget and Treasury										
<i>Budget and Treasury Office</i>										
Corporate Services										
<i>Human Resources, IT and Admin</i>										
TOTAL										
Community and Public Safety										
Community and Social Services										
<i>Library Services and Other Community</i>										
TOTAL Community and Social										
Public Safety										
<i>Traffic and Security Services</i>										
Housing										
<i>Insert measure/s description</i>										

LIM334 Ba-Phalaborwa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2007/8	2008/9	2009/10	Current Year 2010/11			MTREF		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Economic & Environmental Services										
Planning and Development										
Town Planning										
<i>TOTAL PLANNING</i>										
Road Transport										
<i>Roads</i>										
TRADING SERVICES										
<i>Electricity Services</i>										
TRADING SERVICES										
Water Services										
<i>Insert measure/s description</i>										
Waste Water Management										
OTHER										
<i>Waste Management REFUSE</i>										
<i>REMOVALS</i>										

8. OVERVIEW OF BUDGET-RELATED POLICIES

The following policies were reviewed and adopted with this budget after incorporation of inputs made by members of public and stakeholders:

Tariff Policy

The Tariff Policy was reviewed in line with relevant legislation and is tabled with this budget for implementation in July 2011

Property Rates Policy

A policy in line with Local Government: Municipal Property Rates Act, Act No. 6 of 2004 was reviewed to take into consideration requirements of Gazette to ensure the implementation of the new property rates act and is tabled before council for implementation with this budget.

Budget Policy

A policy in line with relevant legislation was reviewed and is tabled before council for implementation in July 2011 with this budget.

Asset Management Policy

A policy in line with relevant legislation was reviewed and tabled before council for implementation. Thereafter it was subjected to community consultation before implementation. The community inputs were incorporated into the policy for final approval by Council on 18 April 2011 for implementation.

Indigent Household Consumer Policy

The approved policy in force for 2010/11 financial year was approved by council on 28 May 2010 and reviewed for implemented in 2011/12 financial year after public participated and be approved with this budget for implementation.

Credit Control, Debt Collection and Consumer Care Policy

Credit Control and Debt Collection Policy of the municipality was reviewed to take into account relevant legislation and developments in court findings and orders. The policy also covers Consumer Care principles. The policy is approved with this budget for implementation in July 2011.

Investment Policy

The municipality was reviewing a Investment Policy to ensure proper management cash and investment in line with relevant legislation and the policy and is approved with this budget for implementation.

Supply Chain Management Policy

The Supply Chain Management Policy was reviewed. A reviewed policy in line with relevant legislation is tabled with this budget. The community's inputs were considered and incorporated into the final policy document and is table for implementation with this budget.

9. OVERVIEW OF BUDGET ASSUMPTIONS

External factors

The following factors were taken consideration and assumption when compiling 2011/12 budget to ensure that the budget is meaningful and easy to understand during the calculation of estimated revenues and expenditures:

- o Population growth
- o Risks to the global outlook
- o The unwinding global imbalances
- o National target in new growth path to create jobs over the next decade
- o Sound macroeconomic policy enables the Country to fund social and economic priorities
- o Anticipated salary increases
- o Demand for services provision on free basic services
- o Division of Revenue Bill, 2011
- o Rates – Tariffs, charges and timing of revenue collection
- o Sustainability - Consumer affordability to services municipal services
- o Interest rates
- o Consumer Price Index/ Inflation
- o Unemployment rate

- o Prime land rate

Internal factors

The following assumptions were considered on compilation of 2011/12 budget on revenues:

- o Increasing/ maximizing revenue collection on outstanding debtors
- o Full implementation of credit control policy
- o Revision of water tariffs and other minor sources of income
- o Services campaign to influence consumers to pay services
- o Improvement on billing system
- o Customer care orientation
- o Improvement on public participation

There are several sources of information gathered during the compilation of 2011/12 budget:

- o Statistics SA guidelines on economic indicators
- o Financial management system and departmental inputs submission
- o Consumer/ Customers surveys on services
- o Data collected on consumer over the counter

- o Integrated Development plan_ 2011-2016

10. OVERVIEW OF BUDGET FUNDING

10.1. SUMMARY OF REVENUE AND FINANCING ACTIVITIES

Table 1: Revenue and Financing

Standard Item	BUDGET YEAR	PROJECTIONS	
	2011/12	2012/13	2013/14
	R	R	R
Own Revenue	246,403,900	279,434,326	304,583,414
Equitable Share	53,751,000	59,394,000	63,265,000
Conditional Grants- Operational Financing	5,203,000	2,300,000	6,062,810
Conditional Grants- Capital Financing	31,129,000	47,827,000	50,527,000
Total Revenue and Financing	336,486,900	388,955,326	424,438,224

The table above illustrate summaries of revenue and financing activities. The total estimated revenue is at 336 million.

The details are as follows:

- ✓ Internal revenue sources increase from R244 million for 2010/11 to R246 million for 2011/12
- ✓ Equitable share allocation as per DORA 2011 increases from R47,6 million for 2010/11 to R53,7 million for 2011/12

- ✓ Conditional grants on capital funding decreases from R42 million 2010/11 to R31 million for 2011/12
- ✓ Conditional grants operational funding increases from R4,9 million 2010/11 to R5,2 million for 2011/12

10.2 ALLOCATION ON GRANTS AND SUBSIDIES

The table below illustrates details of allocations made by National Allocations to the main grant funding and subsidies. The main allocation decrease from R94, 9 million for 2010/11 to R90 million for 2011/12 due to decrease on NDPG as it was previously misrecognised by extra R18, 2 million for 2010/12 and allocation in-kind for Technical Assistance. The municipality has been incentivised on the progress made in terms of Job Creation initiatives on adopted mechanism of Street Paving instead of tarring by an amount of R536 000 to create more Jobs when undertaking services. It must be noted that all grants in respect of water and sanitation is transferred to the District municipality whereas the function is rendered by the local municipality.

Table 3: Detailed Grants and Subsidies

Standard Item	BUDGET YEAR	PROJECTIONS	
	2011/12	2012/13	2013/14
	R	R	R
Financial management grant	1,250,000	1,500,000	1,750,000
MSIG	750,000	800,000	850,000
Municipal infrastructure grant	17,129,000	20,827,000	24,527,000
NDPG	10,000,000	25,000,000	20,000,000

Equitable Shares	53,751,000	59,394,000	63,265,000
Provincial Grant - Excess Employees	2,667,000	-	3,462,810
INEG	4,000,000	2,000,000	6,000,000
EPWP Incentives	536,000	-	-
Total Grant & Subsidies	90,083,000	109,521,000	119,854,810

10.2. REVENUE ESTIMATES

The estimated revenue collection of R336 million for 2011/12 are to fund key programmes in the Integrated Development Plan.

The revenue collection analysis shows that the municipality will be able to collect the budgeted revenue for 2011/12

Standard Item	BUDGET YEAR	PROJECTIONS	
	2011/12	2012/13	2013/14
	R	R	R
Property Rates	36,200,000	39,459,534	43,010,892
Service Charge: Water	78,319,800	85,368,623	93,051,799
Service Charge: Electricity	74,265,800	80,949,673	88,235,143
Loans on Old Debt	860,000	920,000	1,002,800
Outstanding debts	25,528,700	38,368,801	41,821,993
Refuse Removal Charges	5,383,000	5,867,678	6,395,769
Sewerage/Sanitation Charges	8,425,000	9,183,351	10,009,852
Grants and Subsidies	90,083,000	109,521,000	119,854,810
Traffic Fines	926,700	1,010,123	1,101,034

Licenses and Permits	12,994,900	14,164,543	15,439,352
Gain on disposal of PPE	3,500,000	4,142,000	4,514,780
Total	336,486,900	388,955,326	424,438,224

10.4 Rates, Tariffs and Other Charges

Tariff Schedule

The municipality implemented Municipal Property Rates Act from 01 July 2009. The water, electricity and sanitation tariffs were revised and developed tariffs for minor source of revenue such as hiring of municipal facilities, pounding, town planning, etc. **The schedule is submitted to Council for approval and will be implemented as from 01 July 2011. The Schedule of Tariffs is attached as an Annexure A.**

10.5 FUNDING MEASUREMENT

Table SA10 Funding measurement

Description	MFMA section	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Funding measures	-	-										
Cash/cash equivalents at the year end - R'000	18(1)b	1	20,000	64,766	64,766	12,375	13,062	13,062	13,062	3,693	3,976	7,471
Cash + investments at the yr end less applications - R'000	18(1)b	2	85,676	133,926	(195,645)	(197,172)	87,702	87,702	87,702	82,923	120,533	110,475
Cash year end/monthly employee/supplier payments	18(1)b	3	2.1	10.2	3.8	0.9	0.9	0.9	0.9	0.2	0.2	0.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	-	-	-	-	-	0	0	0
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	1.3%	68.6%	(14.7%)	(7.5%)	(6.0%)	(6.0%)	4.5%	3.0%	3.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	112.7%	77.2%	78.4%	96.9%	84.4%	84.4%	84%	74.6%	79.1%	92.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	7.9%	34.8%	100.0%	99.7%	99.6%	99.6%	99.6%	97.4%	92.0%	94.2%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	56.1%	(57.2%)	69.8%	10.1%	0.0%	0.0%	10.0%	40.0%	(20.0%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	571.7%	0.0%	0.0%	10.0%	40.0%	(20.0%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	5.0%	9.7%	0.9%	1.0%	2.7%	2.8%	2.2%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	24.1%	36.9%	40.6%	0.0%	0.0%	0.0%	0.0%

11. EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Table4: Expenditure per Type

Standard Item	BUDGET YEAR	PROJECTIONS	
	2011/12	2012/13	2013/14
	R	R	R
Employee Remuneration	83,716,705	91,251,209	99,463,818
Employee Social contributions	14,529,358	15,837,000	17,262,330
Remuneration of councillors	11,857,697	12,924,890	14,088,130
Depreciation	1,010,320	1,200,361	1,308,394
Finance charges	945,466	1,030,558	1,123,308
Bulk purchases	94,829,000	104,415,572	113,812,973
Repairs and maintenance	25,800,000	30,122,000	32,832,980
Contracted services	16,897,368	13,189,000	14,376,010
Indigent Support	4,410,000	6,279,706	6,844,880
Goods and services	6,297,538	6,864,317	7,482,105
Vehicle expenses			
Capital expenditure_ Internal funding.	14,572,000	23,846,150	25,992,304

Contributions recognised-Capital	31,129,000	47,827,000	52,131,430
Total	336,486,900	388,955,326	424,438,224

EXPENDITURE ESTIMATES

The table below highlights the estimated expenditure for the 2011/12 financial year. There is a slightly increase on employee related costs as a results of expected annual increase. The municipality has set aside an amount of R14.6 million to expense or contribute on capital expenditure for 2011/12.

Repairs and maintenance is 8%of the total estimated budget hence it is 11% of the operational budget. National Treasury guides indicate that at least the repairs and maintenance allocation should be 15% of the total operational budget. The municipality has allocated R45.7 million for contribution on capital assets.

Summary of Expenditure per Main Vote

MUNICIPAL VOTES	BUDGET YEAR	PROJECTIONS	
	2011/12	2012/13	2013/14
	R	R	R
COUNCIL AND EXECUTIVE	25,775,183	28,094,950	30,623,495
BUDGET AND TREASURY OFFICE	33,943,438	36,998,348	40,328,199
CORPORATE SERVICES	27,315,401	29,773,788	32,453,428
COMMUNITY AND SOCIAL SERVICES	48,510,087	52,875,995	57,634,835
TECHNICAL SERVICES	194,479,133	234,166,860	255,718,796
PLANNING AND DEVELOPEMENT	6,463,657	7,045,387	7,679,471
TOTAL	336,486,900	388,955,326	424,438,224

Summary of Expenditure per Sub-Vote

MUNICIPAL VOTES	BUDGET YEAR	PROJECTIONS	
	2011/12	2012/13	2013/14
	R	R	R
Municipal Council	12,579,697	13,711,869	14,945,937
Office of the Mayor	5,129,612	5,591,277	6,094,491
Office of the Municipal Manager	2,099,769	2,288,748	2,494,735
Strategic Planning and Performance Management	2,518,966	2,745,673	2,992,784
Internal Audit and Risk Management	1,568,490	1,709,654	1,863,523
Disaster Management	1,878,650	2,047,729	2,232,024
Office of the CFO	14,052,224	15,316,924	16,695,447
Financial Planning and Reporting	1,708,839	1,862,635	2,030,272
Financial Control and Expenditure Management	6,693,245	7,295,637	7,952,244
Revenue and Debt Management	8,649,886	9,428,376	10,276,930
Supply Chain Management and Stores	2,839,244	3,094,776	3,373,306
Office of the Director	2,436,905	2,656,227	2,895,287
Human Resources	6,633,375	7,230,379	7,881,113

Information Technology	2,337,044	2,547,378	2,776,642
Administration	15,908,077	17,339,803	18,900,386
Office of the Director	1,303,080	1,420,357	1,548,189
Libraries	1,847,559	2,013,840	2,195,085
Parks	11,804,008	12,866,369	14,024,342
Cemeteries	9,525,170	10,382,435	11,316,854
Traffic	7,501,051	8,176,146	8,911,999
Licensing	3,635,682	3,962,893	4,319,554
Environmental Health	8,376,060	9,129,906	9,951,597
Waste Management	4,517,477	4,924,050	5,367,214
Office of the Director	1,360,961	1,483,448	1,616,958
Economic Development	2,263,175	2,466,861	2,688,878
Town Planning	2,839,521	3,095,078	3,373,635
TOTAL	336,486,900	388,955,326	424,438,224

Supporting Table SA18 Transfers and grant receipts

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		24,972	30,326	38,766	49,945	49,105	49,105	55,751	61,694	65,865
Local Government Equitable Share		—	—	—	—	—	—			
Local Government Equitable Share		23,737	29,091	37,516	47,605	47,605	47,605	53,751	59,394	63,265
Finance Management		500		750	1,000	1,000	1,000	1,250	1,500	1,750
		735	500 735	500	750	500	500			
Municipal Systems Improvement								750	800	850
								—	—	—
Allocation in kind-NDPG					590					
Provincial Government:		—	—	—	2,567	2,567	2,567	2,667	—	3,463
Excess Employees Grant				—	2,567	2,567	2,567	2,667	—	3,463
District Municipality:		—	—	—	—	4,649	4,649	—	—	—
FBS				—	—	4,649	4,649			
Other grant providers:		—	—	—	—	2,000	2,000	536	—	—
EPWP				—		2,000	2,000	536		
Total Operating Transfers and Grants	5	24,972	30,326	38,766	52,512	58,321	58,321	58,954	61,694	69,328

Capital Transfers and Grants		5,345	8,838	22,312						
National Government:					42,446	40,242	40,242	31,129	47,827	50,527
Municipal Infrastructure Grant (MIG)		5,345	8,838	12,812	14,242	14,242	14,242	17,129	20,827	24,527
Intergated National Eletrification Grant						6,000	6,000	4,000	2,000	6,000
Neighbourhood Development Grant		–	–	9,500	28,204	20,000	20,000	10,000	25,000	20,000
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]										
District Municipality:		23,374	–	–	–	–	–	–	–	–
Water		23,374								
Other grant providers:		–	–	–	–	–	–	–	–	–
EPWP										
Total Capital Transfers and Grants	5	28,719	8,838	22,312	42,446	40,242	40,242	31,129	47,827	50,527
TOTAL RECEIPTS OF TRANSFERS & GRANTS		53,691	39,164	61,078	94,958	98,563	98,563	90,083	109,521	119,855

12. ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITIES

LIM334 Ba-Phalaborwa - Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<u>Transfers to other municipalities</u> <i>Insert description</i>	1									
TOTAL TRANSFERS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-
<u>Transfers to Entities/Other External Mechanisms</u> <i>Insert description</i>	2									
TOTAL TRANSFERS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-
<u>Transfers to other Organs of State</u> <i>Insert description</i>	3									
TOTAL TRANSFERS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-
<u>Grants to Organisations/ Groups of Individuals</u> <i>Insert description</i>	4									
TOTAL GRANTS TO ORGANISATIONS/GROUPS OF INDIVIDUALS:		-	-	-	-	-	-	-	-	-

TOTAL TRANSFERS AND GRANTS	5	-	-	-	-	-	-	-	-	-
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In the 2010/11 MTREF no allocations were made by the Municipality to:

- + Other municipalities;
- + Municipal Entities and other external service delivery mechanisms;
- + Any other organs of state; and
- + Any other organisation outside government

13. COUNCILLORS AND BOARD MEMBER ALLOWANCE AND EMPLOYEE BENEFITS

13.1. Summary of Councillors and Staff Benefits

LIM334 Ba-Phalaborwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
- <u>Councillors (Political Office Bearers plus Other)</u>	1	A	B	C	D	E	F	G	H	I
Salary		4,282	4,863	5,350	10,504	11,074	11,074	9,238	10,060	10,928
Pension Contributions		524	596	656						
Medical Aid Contributions		493	561 4,159	617 4,575						
Motor vehicle allowance		3,668						2,162	2,357	2,591

Cell phone allowance		304	344	379	436	436	436	458	513	575
Housing allowance		15	–	19						
Other benefits or allowances		–	–	–						
In-kind benefits		–	–	21						
Sub Total - Councillors		9,286	10,524	11,617	10,940	11,510	11,510	11,858	12,930	14,094
% increase	4		13.3%	10.4%	(5.8%)	5.2%	–	3.0%	9.0%	9.0%
<u>Senior Managers of the Municipality</u>	2									
Salary		3,220	4,118	4,571	4,923	4,923	4,923	4,686	5,107	5,567
Pension Contributions										
Medical Aid Contributions										
Motor vehicle allowance										
Cell phone allowance		70	97	108	130	130	130	72	86	94
Housing allowance										
Performance Bonus										
Other benefits or allowances					–	–	–			
In-kind benefits										
Sub Total - Senior Managers of Municipality		3,290	4,215	4,679	5,053	5,053	5,053	4,758	5,193	5,661
% increase	4		28.1%	11.0%	8.0%	–	–	(5.8%)	9.1%	9.0%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		43,258	43,258	49,746	49,746	50,196	50,196	55,107	60,059	65,464
Pension Contributions		8,207	8,207	7,348	7,348	7,348	7,348	9,363	10,206	11,124
Medical Aid Contributions		2,271	2,271	12,529	12,529	12,529	12,529	12,573	13,705	14,938
Motor vehicle allowance		3,438	3,438	1,182	1,182	1,182	1,182	8,958	9,764	10,643
Cell phone allowance		–	–	–	–	–	–	1,094	1,192	1,299
Housing allowance		–	–	1,255	1,255	1,255	1,255	3,724	4,059	4,424
Overtime		3,442	3,442	3,889	3,889	3,889	3,889	2,671	2,911	3,173
Performance Bonus		–	–	–	–	–	–	–		
Other benefits or allowances		3,520	3,520	1,692	1,692	1,692	1,692	–		

In-kind benefits		-	-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff		64,136	64,136	77,640	77,640	78,090	78,090	93,489	101,895	111,066
% increase	4		-	21.1%	-	0.6%	-	19.7%	9.0%	9.0%
Total Parent Municipality		76,712	78,874	93,936	93,632	94,652	94,652	110,104	120,018	130,820
			2.8%	19.1%	(0.3%)	1.1%	-	16.3%	9.0%	9.0%
<u>Board Members of Entities</u>										
Salary										
Pension Contributions										
Medical Aid Contributions										
Motor vehicle allowance										
Cell phone allowances										
Housing allowance										
Board Fees										
Other benefits and allowances										
In-kind benefits										
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
<u>Senior Managers of Entities</u>										
Salary										
Pension Contributions										
Medical Aid Contributions										
Motor vehicle allowance										
Cell phone allowances										
Housing allowance										
Performance Bonus										
Other benefits or allowances										
In-kind benefits										
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
<u>Other Staff of Entities</u>										
Basic Salaries and Wages										
Pension Contributions										

Medical Aid Contributions										
Motor vehicle allowance										
Cell phone allowances										
Housing allowance										
Overtime										
Performance Bonus										
Other benefits or allowances										
In-kind benefits										
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		76,712	78,874	93,936	93,632	94,652	94,652	110,104	120,018	130,820
% increase	4		2.8%	19.1%	(0.3%)	1.1%	-	16.3%	9.0%	9.0%
TOTAL MANAGERS AND STAFF	5	67,426	68,351	82,319	82,692	83,142	83,142	98,246	107,088	116,726

13.2. Disclosure of Salaries for Political Office Bearers, Councillors and Senior Managers

LIM334 Ba-Phalaborwa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No. 10	Salary	Contrib. 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 3.
Rand per annum								
<u>Councillors</u>	4							
Speaker	5		484,071		17,952			502,023
Chief Whip			453,816		17,952			471,768
Executive Mayor			605,089		17,952			623,041
Deputy Executive Mayor								–
Executive Committee								–
Total for all other councillors			5,604,595		324,684			5,929,279
Total Councillors	9	–	7,147,571	–	378,540			7,526,111
<u>Senior Managers of the Municipality</u>	6							
Municipal Manager (MM)			1,086,240					1,086,240
Chief Finance Officer			775,164		18,000			793,164
Deputy City Manager - Governance			691,685		18,000			709,685
Deputy City Manager - Procurement & Infrastructure			749,061					749,061
Deputy City Manager - Health, Safety & Social Issues			691,685		18,000			709,685
Deputy City Manager - Corporate & Human Resources			691,685		18,000			709,685
<i>List of each official with packages >= senior manager</i>								–
								–
								–
								–
								–
								–
								–
								–
								–
								–

								-
								-
Total Senior Managers of the Municipality	9	-	4,685,520	-	72,000	-	-	4,757,520
<u>A Heading for Each Entity</u> List each member of board by designation	7, 8							- - - - - - - - -
Total for municipal entities	9	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		-	11,833,091	-	450,540	-	-	12,283,631

LIM334 Ba-Phalaborwa - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref 1	2009/10			Current Year 2010/11			Budget Year 2011/12		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		32		32	32		32	36		36
Board Members of municipal entities	3									
Municipal employees	4									
Municipal Manager and Senior Managers	2	6		6	6		6	6		6
		20			19					
Other Managers	6		18	2		18	1	29	27	2

		104	104	–	117	117	–	243	241	2
Professionals										
<i>Finance</i>		61	61		61	61		80	78	2
<i>Spatial/town planning</i>		1	1		1	1		1	1	
<i>Information Technology</i>										
<i>Roads</i>		25	25		28	28		120	120	
<i>Electricity</i>		17	17		27	27		42	42	
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		30	30		56	56		76	76	
Technicians		131	131	–	152	152	–	319	319	–
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>		45	45		57	57		147	147	
		8			4					
<i>Sanitation</i>			8			4		39	39	
		78								
<i>Refuse</i>			78		91	91		133	133	
<i>Other</i>										
Clerks (Clerical and administrative)		50	50		50	50		85	85	
Service and sales workers										

Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS		373	333	40	432	393	39	794	748	46
% increase			(10.7%)	(88.0%)	980.0%	882.5%	(2.5%)	1 935.9%	(5.8%)	(93.9%)
Total municipal employees headcount	5									
Finance personnel headcount	7									
Human Resources personnel headcount	7									

14. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASHFLOW

LIM334 Ba-Phalaborwa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand																
<u>Revenue By Source</u>	-															

Property rates			3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	36,200	39,460	43,011
Property rates - penalties & collection charges		3,017											–	–	–	–
Service charges - electricity revenue		6,498	6,823	6,436	6,622	6,746	6,251	6,498	6,498	6,374	6,436	4,332	4,750	74,266	80,950	88,235
Service charges - water revenue		6,788	7,127	7,483	7,858	8,251	8,498	7,648	6,119	5,201	6,436	3,094	3,817	78,320	85,369	93,052
Service charges - sanitation revenue		702	702	702	702	702	702	702	702	702	702	702	702	8,425	9,183	10,010
Service charges - refuse revenue		449	449	449	449	449	449	449	449	449	449	449	449	5,383	5,868	6,396
Service charges - other													–	–	–	–
Rental of facilities and equipment				100			–				–		(100)	–	–	–
Interest earned - external investments													–	–	–	–
Interest earned - outstanding debtors		1,882	1,967	1,026	2,566	1,540	2,395	838	2,566	1,026	1,197	1,351	8,034	26,389	39,289	42,825
Dividends received													–	–	–	–
Fines		56	78	49	51	14	125	125	46	78	45	120	140	927	1,010	1,101
Licences and permits		1,191	1,094	1,115	964	1,516	1,516	541	1,570	866	1,072	747	801	12,995	14,165	15,439
Agency services													–	–	–	–
Transfers recognised - operational		19,651				19,651				19,651			–	58,954	61,694	69,328
Other revenue													–	–	–	–
Gains on disposal of PPE													3,500	3,500	4,142	4,515
Total Revenue (excluding capital transfers and contributions)		40,234		20,377												
			21,257		22,227	41,885	22,952	19,818	20,966	37,365	19,355	13,813	25,110	305,358	341,128	373,911
Expenditure By Type																

Employee related costs		8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	98,246	107,088	116,726
Remuneration of councillors		988	988	988	988	988	988	988	988	988	988	988	988	11,858	12,930	14,094
Debt impairment													–	–	–	–
Depreciation & asset impairment													1,010	1,010	1,200	1,308
Finance charges		87	71	79	88	63	78	76	88	88	61	91	75	945	1,031	1,123
Bulk purchases		9,483	7,902	7,112	7,981	7,191	6,322	5,927	5,532	9,483	9,878	9,483	8,535	94,829	104,416	113,813
Other materials													–	–	–	–
Contracted services		1,008	1,210	1,109	1,160	1,129	807	998	897	928	787	1,210	5,654	16,897	13,189	14,376
Transfers and grants													–	–	–	–
Other expenditure		8,614	8,805	8,901	8,518	11,485	11,964	8,805	8,901	14,357	10,528	10,528	1,292	112,701	149,102	162,997
Loss on disposal of PPE													–	–	–	–
Total Expenditure		28,367	27,164	26,377	26,923	29,044	28,346	24,982	24,594	34,031	30,430	30,487	25,742	336,487	388,955	424,438
Surplus/(Deficit)		11,866	(5,908)	(5,999)	(4,696)	12,841	(5,394)	(5,164)	(3,628)	3,334	(11,075)	(16,675)	(633)	(31,129)	(47,827)	(50,527)
Transfers recognised - capital				10,710			10,710			10,710			(1,000)	31,129	47,827	50,527
Contributions recognised - capital													–	–	–	–
Contributed assets													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		11,866	(5,908)	4,711	(4,696)	12,841	5,316	(5,164)	(3,628)	14,043	(11,075)	(16,675)	(1,633)	0	0	0
Taxation													–	–	–	–
Attributable to minorities														–	–	–
Share of surplus/ (deficit) of associate													–			
													–	–	–	–
Surplus/(Deficit)	1	11,866	(5,908)	4,711	(4,696)	12,841	5,316	(5,164)	(3,628)	14,043	(11,075)	(16,675)	(1,633)	0	0	0

Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue by Vote	-															
Vote1 - Executive and Council													-	-	-	-
Vote2 - Budget and Treasury Department		9,665	11,598	10,632	8,699	10,921	11,018	8,699	7,732	4,833	14,498	13,531	10,016	121,840	145,165	158,216
Vote3 - Corporate Services		2,667												2,667	-	3,463
Vote4 - Community and Social Services		1,247	1,172	1,164	1,014	1,530	1,641	666	1,616	944	1,117	867	6,325	19,305	21,042	22,936
Vote5 - Planning and Development														-	-	-
Vote6 - Technical Services Department		18,585	17,036	19,359	19,514	15,642	9,292	13,939	13,939	12,390	18,740	18,120	16,120	192,676	222,747	239,824
Example 7 - Vote7													-	-	-	-
Example 8 - Vote8													-	-	-	-
Example 9 - Vote9													-	-	-	-
Example 10 - Vote10													-	-	-	-
Example 11 - Vote11													-	-	-	-
Example 12 - Vote12													-	-	-	-
Example 13 - Vote13													-	-	-	-
Example 14 - Vote14													-	-	-	-
Example 15 - Vote15													-	-	-	-
Total Revenue by Vote		32,184	29,846	31,265	29,247	28,124	22,057	23,424	23,302	18,192	34,444	32,528	31,875	336,487	388,955	424,438

Expenditure by Vote to be appropriated	-															
Vote1 - Executive and Council		2,363	1,933	2,255	1,826	1,847	2,363	2,363	2,363	2,363	2,363	2,363	1,375	25,775	28,095	30,623
Vote2 - Budget and Treasury Department		3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	522	33,943	30,176	33,089
Vote3 - Corporate Services		2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,277	27,315	29,774	32,453
Vote4 - Community and Social Services		3,918	3,918	3,918	3,918	3,918	3,918	3,918	3,918	3,918	3,918	3,918	5,418	48,510	51,241	55,853
Vote5 - Planning and Development		539	539	539	539	539	539	539	539	539	539	539	538	6,464	7,045	7,679
Vote6 - Technical Services Department		15,924	15,924	15,924	15,924	15,924	15,924	15,924	15,924	15,924	15,924	15,924	19,320	194,479	242,624	264,740
Example 7 - Vote7													-	-	-	-
Example 8 - Vote8													-	-	-	-
Example 9 - Vote9													-	-	-	-
Example 10 - Vote10													-	-	-	-
Total Expenditure by Vote		28,057	27,627	27,950	27,520	27,542	28,057	28,057	28,057	28,057	28,057	28,057	29,449	336,487	388,955	424,438
Surplus/(Deficit) before assoc.		4,127	2,218	3,315	1,727	582	(6,000)	(4,633)	(4,755)	(9,865)	6,387	4,471	0	0	0	0
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	4,127	2,218	3,315	1,727	582	(6,000)	(4,633)	(4,755)	(9,865)	6,387	4,471	0	0	0	0

Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<u>Multi-year expenditure to be appropriated</u>	1															
Vote1 - Executive and Council													-	-	-	-
Vote2 - Budget and Treasury Department		1,500			2,500			1,700			800	500	(4,500)	2,500	2,000	-
Vote3 - Corporate Services													-	-	-	-
Vote4 - Community and Social Services				500	500	500							1,500	3,000	3,300	3,630
Vote5 - Planning and Development													-	-	-	-
Vote6 - Technical Services Department		3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	5,973	40,201	66,373	72,889
Example 7 - Vote7													-	-	-	-
Example 10 - Vote10													-	-	-	-
Capital multi-year expenditure sub-total	2	4,612	3,112	3,612	6,112	3,612	3,112	4,812	3,112	3,112	3,912	3,612	2,973	45,701	71,673	76,519
<u>Single-year expenditure to be appropriated</u>																
Vote1 - Executive and Council													-	-	-	-
Vote2 - Budget and Treasury Department													-	-	-	-
Vote3 - Corporate Services													-	-	-	-
Vote4 - Community and Social Services													-	-	-	-
Vote5 - Planning and Development													-	-	-	-
Vote6 - Technical Services Department													-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	2	4,612	3,112	3,612	6,112	3,612	3,112	4,812	3,112	3,112	3,912	3,612	2,973	45,701	71,673	76,519

Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Cash Receipts By Source													1		
Property rates	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	3,017	36,200	39,460	43,011
Property rates - penalties & collection charges												–			
Service charges - electricity revenue	6,498	6,823	6,436	6,622	6,746	6,251	6,498	6,498	6,374	6,436	4,332	4,750	74,266	80,950	88,235
Service charges - water revenue	6,788	7,127	7,483	7,858	8,251	8,498	7,648	6,119	5,201	6,436	3,094	3,817	78,320	85,369	93,052
Service charges - sanitation revenue	702	702	702	702	702	702	702	702	702	702	702	702	8,425	9,183	10,010
Service charges - refuse revenue	449	449	449	449	449	449	449	449	449	449	449	449	5,383	5,868	6,396
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	100	–	–	–	–	–	–	–	–	(100)	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	1,882	1,967	1,026	2,566	1,540	2,395	838	2,566	1,026	1,197	1,351	8,034	26,389	39,289	42,825
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines	56	78	49	51	14	125	125	46	78	45	120	140	927	1,010	1,101
Licences and permits	1,191	1,094	1,115	964	1,516	1,516	541	1,570	866	1,072	747	801	12,995	14,165	15,439
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer receipts - operational	19,651	–	–	–	19,651	–	–	–	19,651	–	–	–	58,954	61,694	69,328
Other revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Cash Receipts by Source	40,234	21,257	20,377	22,227	41,885	22,952	19,818	20,966	37,365	19,355	13,813	21,610	301,858	336,986	369,396
Other Cash Flows by Source															

Transfer receipts - capital	-	-	10,710	-	-	10,710	-	-	10,710	-	-	(1,000)	31,129	47,827	50,527
Contributions recognised - capital & Contributed assets												-			
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	3,500	3,500	4,142	4,515
Short term loans												-			
Borrowing long term/refinancing												-			
Increase (decrease) in consumer deposits												-			
Decrease (Increase) in non-current debtors												-			
Decrease (increase) other non-current receivables												-			
Decrease (increase) in non-current investments												-			
Total Cash Receipts by Source	40,234	21,257	31,087	22,227	41,885	33,662	19,818	20,966	48,074	19,355	13,813	24,110	336,487	388,955	424,438
Cash Payments by Type															
Employee related costs	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	8,187	98,246	107,088	116,726
Remuneration of councillors	988	988	988	988	988	988	988	988	988	988	988	988	11,858	12,930	14,094
Collection costs												-			
Interest paid	87	71	79	88	63	78	76	88	88	61	91	75	945	1,031	1,123
Bulk purchases - Electricity	6,069	6,069	6,069	6,069	6,069	6,069	6,069	6,069	6,069	6,069	6,069	6,069	72,829	80,112	87,322
Bulk purchases - Water & Sewer	5,500			5,500				5,500			5,500	-	22,000	24,304	26,491
Other materials												-			
Contracted services	1,008	1,210	1,109	1,160	1,129	807	998	897	928	787	1,210	5,654	16,897	13,189	14,376
Grants and subsidies paid - other municipalities												-			
Grants and subsidies paid - other												-			
General expenses	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,677	68,010	78,629	87,787
Cash Payments by Type	27,506	22,192	22,099	27,659	22,103	21,796	21,986	27,397	21,927	21,759	27,712	26,651	290,786	317,282	347,919
Other Cash Flows/Payments by Type															

Capital assets	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904	2,761	45,701	71,673	76,519
Repayment of borrowing												–			
Other Cash Flows/Payments												–			
Total Cash Payments by Type	31,410	26,096	26,003	31,563	26,007	25,699	25,889	31,300	25,831	25,663	31,615	29,412	336,487	388,955	424,438
NET INCREASE/(DECREASE) IN CASH HELD	8,824	(4,839)	5,084	(9,335)	15,878	7,962	(6,071)	(10,334)	22,244	(6,308)	(17,803)	(5,302)	0	0	(0)
Cash/cash equivalents at the month/year begin:		8,824	3,985	9,069	(266)	15,612	23,574	17,503	7,169	29,413	23,105	5,302	–	0	0
Cash/cash equivalents at the month/year end:	8,824	3,985	9,069	(266)	15,612	23,574	17,503	7,169	29,413	23,105	5,302	0	0	0	0

15. ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

The service delivery and budget implementation plan will be approved by the Mayor after the council has approved the annual budget and IDP

16. CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

LIM334 Ba-Phalaborwa - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2010/11	2011/12 Medium Term Revenue & Expenditure Framework			Forecast 2013/14	Forecast 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
<u>Revenue Obligation By Contract</u>	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

All services to be acquired on contracts are within the MTREF budget allocation. There is no project indicative to spent muliti-year and above three years.

17. CAPITAL EXPENDITURE DETAILS

17.1 CAPITAL EXPENDITURE ON NEW ASSETS BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand	1									
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
-										
Infrastructure		37,309	38,932	16,842	26,642	20,059	20,059	39,201	62,827	67,989
Infrastructure - Road transport		11,500	8,838	14,602	19,242	12,659	12,659	31,629	50,827	52,083
Roads, Pavements & Bridges		3,500	8,838	7,452	19,242	12,659	12,659	31,629	50,827	52,083
Storm water		8,000	-	7,150						
Infrastructure - Electricity		7,907	6,720	2,000	7,400	7,400	7,400	7,572	12,000	15,906
Generation		-	-	-	-	-				
Transmission & Reticulation		7,207	6,720	-	4,400	4,400	4,400	7,572	12,000	15,906
Street Lighting		700	-	2,000	3,000	3,000	3,000	-	-	-
Infrastructure - Water		11,102	7,374	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-			
Water purification		-	-	-	-	-	-			
Reticulation		11,102	7,374	-	-	-	-	-		
Infrastructure - Sanitation		6,800	16,000	240	-	-	-	-	-	-
Reticulation		-	-	240	-	-	-	-		
Sewerage purification		6,800	16,000	-	-	-	-			
Infrastructure - Other		-	-	-	-	-	-	-	-	-

Waste Management		-	-	-	-	-	-			
Transportation	2	-	-	-	-	-	-			
Gas		-	-	-	-	-	-			
Other	3	-	-	-	-	-	-			
Community		1,500	-	12,200	14,962	-	-	3,000	3,300	3,630
Parks & gardens		-	-	-	-	-	-			
Sportsfields & stadia		-	-	-	9,204	-	-			
Swimming pools		-	-	-	-	-	-			
Community halls		-	-	-	-	-	-			
Libraries		-	-	-	-	-	-			
Recreational facilities		-	-	8,600	-	-	-			
Fire, safety & emergency		-	-	-	-	-	-			
Security and policing		-	-	-	258	-	-			
Buses	7	-	-	-	-	-	-			
Clinics		1,500	-	-	-	-	-			
Museums & Art Galleries		-	-	3,600	-	-	-			
Cemeteries		-	-	-	3,000	-	-	3,000	3,300	3,630
Social rental housing	8	-	-	-	-	-	-			
Other		-	-	-	2,500	-	-			
Heritage assets		-	-	2,000	-	-	-	-	-	-
Buildings		-	-	2,000						
Other	9									

<u>Investment properties</u>		-	-	-	500	-	-	-	-	-
Housing development					500	-	-			
Other										
<u>Other assets</u>		6,695	9,600	3,500	8,000	8,000	-	1,000	3,546	4,901
General vehicles		-	-	-	-	-	-			
Specialised vehicles	10	4,225	-	-	-	-	-	1,000	3,546	4,901
Plant & equipment		217	-	2,500	-	-	-			
Computers - hardware/equipment		-	-	-	-	-	-			
Furniture and other office equipment		1,723	-	-	-	-	-			
Abattoirs		-	-	-	-	-	-			
Markets		-	-	1,000	2,000	2,000	-			
Civic Land and Buildings		-	9,600	-	6,000	6,000	-			
Other Buildings		530	-	-	-	-	-			
Other Land		-	-	-	-	-	-			
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-			
Other		-	-	-	-	-	-			
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Intangibles</u>		-	-	4,500	-	-	-	2,500	2,000	-

Computers - software & programming					-	-		2,500	2,000	
Other (list sub-class)				3,500						
				1,000						
Total Capital Expenditure on new assets	1	45,504	48,532	39,042	50,104	28,059	20,059	45,701	71,673	76,519

<u>Specialised vehicles</u>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

LIM334 Ba-Phalaborwa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand	1									
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
-										
Infrastructure		-	-	-	14,023	15,425	16,968	-	-	-
Infrastructure - Road transport		-	-	-	1,500	1,650	1,815	-	-	-
<i>Roads, Pavements & Bridges</i>					1,500	1,650	1,815			
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	7,500	8,250	9,075	-	-	-
<i>Generation</i>					-					
<i>Transmission & Reticulation</i>					7,500	8,250	9,075			
<i>Street Lighting</i>										
Infrastructure - Water		-	-	-	2,520	2,772	3,049	-	-	-
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>					2,520	2,772	3,049			
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	2,503	2,753	3,029	-	-	-
<i>Waste Management</i>										
<i>Transportation</i>	2				2,503	2,753	3,029			
<i>Gas</i>										
<i>Other</i>	3									

Community Parks & gardens Sportsfields & stadia Swimming pools Community halls Libraries Recreational facilities Fire, safety & emergency Security and policing Buses Clinics Museums & Art Galleries Cemeteries Social rental housing Other	7	-	-	-	1,500	1,650	1,815	-	-	-
Heritage assets Buildings Other	9	-	-	-	-	-	-	-	-	-
Investment properties Housing development Other		-	-	-	-	-	-	-	-	-
Other assets General vehicles Specialised vehicles Plant & equipment Computers - hardware/equipment Furniture and other office equipment Abattoirs Markets	10	-	-	-	3,900	4,290	4,719	-	-	-
					650	715	787			
					2,100	2,310	2,541			
					1,150	1,265	1,392			

Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
<u>Intangibles</u>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Capital Expenditure on renewal of existing assets	1	-	-	-	19,423	21,365	23,502	-	-	-

<u>Specialised vehicles</u>			-	-	-	-	-	-	-	-
		-								
Refuse										
Fire										
Conservancy										
Ambulances										

LIM334 Ba-Phalaborwa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand	1									
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		-	-	7,670	12,295	3,036	3,811	18,500	21,599	23,543
Infrastructure - Road transport		-	-	2,732	9,795	3,036	3,036	4,200	4,904	5,345
<i>Roads, Pavements & Bridges</i>				2,602	8,245	2,556	2,556	4,200	4,904	5,345
<i>Storm water</i>				130	1,550	481	481			
Infrastructure - Electricity		-	-	3,068	2,500	-	775	4,500	5,254	5,727
<i>Generation</i>				-	-	-				
<i>Transmission & Reticulation</i>				1,634	-	-		4,500	5,254	5,727
<i>Street Lighting</i>				1,434	2,500	-	775			
Infrastructure - Water		-	-	1,000	-	-	-	6,200	7,239	7,890
<i>Dams & Reservoirs</i>				500						
<i>Water purification</i>				300						
<i>Reticulation</i>				200				6,200	7,239	7,890
Infrastructure - Sanitation		-	-	500	-	-	-	2,100	2,452	2,672
<i>Reticulation</i>				300						
<i>Sewerage purification</i>				200				2,100	2,452	2,672
Infrastructure - Other		-	-	370	-	-	-	1,500	1,751	1,909
<i>Waste Management</i>				370				1,500	1,751	1,909
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3									
<u>Community</u>		-	-	3,120	11,560	3,604	3,604	3,000	3,503	3,818
Parks & gardens				389	560	174	174	2,500	2,919	3,181

Sportsfields & stadia				340	1,500	465	465			
Swimming pools				-	-	-	-			
Community halls				420	2,500	775	775			
Libraries				-	2,500	775	775			
Recreational facilities				1,230	-	-	-			
Fire, safety & emergency				-	1,500	465	465			
Security and policing				-	-	-	-			
Buses	7			-	-	-	-			
Clinics				-	-	-	-			
Museums & Art Galleries				-	-	-	-			
Cemeteries				741	3,000	951	951	500	584	636
Social rental housing	8			-	-	-	-			
Other				-	-	-	-			
Heritage assets										
Buildings				-	-	-	-	-	-	-
Other	9									
Investment properties										
Housing development				-	-	-	-	-	-	-
Other										
Other assets										
General vehicles				-	-	3,690	2,139	4,300	5,020	5,472
Specialised vehicles						6,900	2,139	4,300	5,020	5,472
Plant & equipment							1,023			
Computers - hardware/equipment							775	4,300	5,020	5,472
Furniture and other office equipment							341			
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										

Other						-				
<u>Agricultural assets</u>		-	-			-	-	-	-	-
<i>List sub-class</i>										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
<u>Intangibles</u>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Repairs and Maintenance Expenditure	1	-	-	14,480	30,755	8,780	9,555	25,800	30,122	32,832

DETAILED CAPITAL PROGRAMMES

Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project R thousand	Ref	Program/Project description	Project number	IDP Goal code 3.	Asset Class 4.	Asset Sub-Class 4.	Total Project Estimate	Prior year outcomes		2011/12 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2009/10	Current Year 2010/11 Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>	5				<i>Examples</i>	<i>Examples</i>								
Budget and Treasury		Intergrated Financial Management System			<i>Intagibles</i>	<i>Computer Software</i>	4,500			2,500	2,000			NEW
Community Services		Cementry Fencing			Community Assets	Cemetries	9,930			3,000	3,300	3,630		New
Technical Services		Mobile Water Tanker			Other Assets	Specialized Vehicle	4,838			500	2,066	2,272		NEW
							–				–	–		
Technical Services		Honey Sucker			Other Assets	Specialized Vehicle	4,608			500	1,480	2,628		NEW
Technical Services		Electricity Switchgears			Insfrastructure	Electricy Transmission	35,478			7,572	12,000	15,906		NEW
Technical Services		Rehabilitation of Streets			Insfrastructure	Roads Instrastructure	134,539			31,629	50,827	52,083		NEW
											–	–		
											–	–		
Total Capital expenditure	1									45,701	71,673	76,519		
Entities:														

<i>List all capital projects grouped by Entity</i>														
Entity A Water project A														
Entity B Electricity project B														
Total Capital expenditure	2									-	-	-		

18. LEGISLATION COMPLIANCE STATUS

The budget compilation has taken into account the following legislative documents

- ❖ Municipal Finance Management Act (MFMA), Act No.56 of 2003
- ❖ Division of Revenue of Act (DoRA) and the Bill 2011
- ❖ Budget Regulations and Circulars
- ❖ Asset Management Regulations
- ❖ Minimum Competency Levels of Municipal Finance Officers Regulations
- ❖ Local Government: Municipal Property Rates Act(MPRA)

19. OTHER SUPPORTING DOCUMENTS

a. Supporting details to Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		22,000	21,200	30,470	33,212	33,212	33,212	33,212	36,200	39,460	43,011
<i>less Revenue Foregone</i>											
Net Property Rates		22,000	21,200	30,470	33,212	33,212	33,212	33,212	36,200	39,460	43,011
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue		31,459	46,302	62,508	68,134	65,144	65,144	65,144	74,266	80,950	88,235
<i>less Revenue Foregone</i>											
Net Service charges - electricity revenue		31,459	46,302	62,508	68,134	65,144	65,144	65,144	74,266	80,950	88,235
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue		33,908	37,900	93,847	71,853	71,003	71,003	71,003	78,320	85,369	93,052
<i>less Revenue Foregone</i>											
Net Service charges - water revenue		33,908	37,900	93,847	71,853	71,003	71,003	71,003	78,320	85,369	93,052
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue		8,670	6,100	10,682	7,729	6,974	6,974	6,974	8,425	9,183	10,010
<i>less Revenue Foregone</i>											
Net Service charges - sanitation revenue		8,670	6,100	10,682	7,729	6,974	6,974	6,974	8,425	9,183	10,010
<u>Service charges - refuse revenue</u>	6										

Total refuse removal revenue		5,109	3,420	6,295	4,939	7,000	7,000	7,000	5,383	5,868	6,396
Total landfill revenue <i>less Revenue Foregone</i>											
Net Service charges - refuse revenue		5,109	3,420	6,295	4,939	7,000	7,000	7,000	5,383	5,868	6,396
<u>Other Revenue by source</u>											
Fuel levy											
Other revenue	3			3,138	8,949	8,809	8,809	8,809	–	–	–
Total 'Other' Revenue	1	–	–	3,138	8,949	8,809	8,809	8,809	–	–	–
<u>EXPENDITURE ITEMS:</u>											
<u>Employee related costs</u>											
Salaries and Wages	2	49,498	56,342	47,477	35,876	51,230	51,230	51,230	59,151	64,474	70,277
Contributions to UIF, pensions, medical aid		–	–	28,693	22,472	20,835	20,835	20,835	22,649	24,688	26,910
Travel, motor car, accom; & other allowances		–	–	26,673	14,045	5,185	5,185	5,185	10,051	10,956	11,942
Housing benefits and allowances		–	–	–	7,490	2,523	2,523	2,523	3,724	4,059	4,424
Overtime		–	–	3,939	2,809	3,370	3,370	3,370	2,671	2,911	3,173
Performance bonus		–	–	–	–						
Long service awards		–	–	–	–						
Payments in lieu of leave		–	–	–	–						
Post-retirement benefit obligations	4	–	–	–	–						
sub-total	5	49,498	56,342	106,782	82,692	83,143	83,143	83,143	98,246	107,088	116,726
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	49,498	56,342	106,782	82,692	83,143	83,143	83,143	98,246	107,088	116,726
<u>Contributions recognised - capital</u>											
<i>List contributions by contract</i>											
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
<u>Depreciation & asset impairment</u>											

Depreciation of Property, Plant & Equipment				-					1,010	1,200	1,308
Lease amortisation											
Capital asset impairment											
Total Depreciation & asset impairment	1	-	-	-	-	-	-	-	1,010	1,200	1,308
Bulk purchases											
Electricity Bulk Purchases		19,590	19,590	59,329	53,175	53,175	53,175	53,175	72,829	80,112	87,322
Water Bulk Purchases		47,886	-	38,000	20,000	26,000	26,000	26,000	22,000	24,304	26,491
Total bulk purchases	1	67,476	19,590	97,329	73,175	79,175	79,175	79,175	94,829	104,416	113,813
Contracted services											
List services provided by contract				2,700	6,900	8,521	8,521	8,521	16,897	13,189	14,376
sub-total	1	-	-	2,700	6,900	8,521	8,521	8,521	16,897	13,189	14,376
Allocations to organs of state:											
Electricity											

Water											
Sanitation											
Other											
Total contracted services		-	-	2,700	6,900	8,521	8,521	8,521	16,897	13,189	14,376
Other Expenditure By Type	-										
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees				950	1,600	1,600	1,600	1,600	1,660	1,809	1,972
General expenses	3	99,129	131,112	135,863	162,858	119,016	119,016	119,016	111,041	147,292	161,025
<i>List Other Expenditure by Type</i>											
Total 'Other' Expenditure	1	99,129	131,112	136,813	164,458	120,616	120,616	120,616	112,701	149,102	162,997
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure											
Total Repairs and Maintenance Expenditure	9	-	-	-	-	-	-	-	-	-	-

b. Matrix Financial Performance

Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote1 - Executive and Council	Vote2 - Budget and Treasury Department	Vote3 - Corporate Services	Vote4 - Community and Social Services	Vote5 - Planning and Development	Vote6 - Technical Services Department	Example 7 - Vote7	Example 8 - Vote8	Example 9 - Vote9	Example 10 - Vote10	Example 11 - Vote11	Example 12 - Vote12	Example 13 - Vote13	Example 14 - Vote14	Total
R thousand	1															
<u>Revenue By Source</u>																
Property rates			36,200													36,200
Property rates - penalties & collection charges																-
Service charges - electricity revenue							74,266									74,266
Service charges - water revenue							78,320									78,320
Service charges - sanitation revenue							8,425									8,425
Service charges - refuse revenue					5,383											5,383
Service charges - other																-
Rental of facilities and equipment				-												-
Interest earned - external investments																-
Interest earned - outstanding debtors			26,389													26,389
Dividends received																-
Fines					927											927
Licences and permits					12,995											12,995
Agency services																-
Other revenue							-									-
Transfers recognised - operational			55,751	2,667			536									58,954
Gains on disposal of PPE			3,500													3,500

Total Revenue (excluding capital		-	121,840	2,667	19,305	-	161,547	-	-	-	-	-	-	-	-	305,358
transfers and contributions)																
<u>Expenditure By Type</u>	-															
Employee related costs		7,952	13,571	13,571	30,340	4,465	31,072									100,972
Remuneration of councillors		11,858														11,858
Debt impairment																-
Depreciation & asset impairment			1,010													1,010
Finance charges			945				-									945
Bulk purchases							94,829									94,829
Other materials																-
Contracted services			7,217	3,840	5,840											16,897
Transfers and grants																-
Other expenditure		4,594	14,502	11,485	26,560	6,891	45,942									109,975
Loss on disposal of PPE			.													-
Total Expenditure		24,404	37,247	28,897	62,740	11,356	171,843	-	-	-	-	-	-	-	-	336,487
Surplus/(Deficit)		(24,404)	84,593	(26,230)	(43,436)	(11,356)	(10,296)	-	-	-	-	-	-	-	-	(31,129)
Transfers recognised - capital							31,129									31,129
Contributions recognised - capital																-
Contributed assets																-
Surplus/(Deficit) after capital transfers & contributions		(24,404)	84,593	(26,230)	(43,436)	(11,356)	20,833	-	-	-	-	-	-	-	-	0

c. Supporting Details to Budgeted Financial Position

Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits < 90 days											
Other current investments > 90 days				88	88	131	131	131	144	202	161
Total Call investment deposits	2	-	-	88	88	131	131	131	144	202	161
<u>Consumer debtors</u>											
Consumer debtors				57,340	76,500	102,414	102,414	102,414	112,656	157,718	126,174
Less: Provision for debt impairment											
Total Consumer debtors	2	-	-	57,340	76,500	102,414	102,414	102,414	112,656	157,718	126,174
<u>Debt impairment provision</u>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)				290,869	316,572	961,666	961,666	961,666	1,057,833	1,480,966	1,184,773
Leases recognised as PPE	3										
Less: Accumulated depreciation											
Total Property, plant and equipment (PPE)	2	-	-	290,869	316,572	961,666	961,666	961,666	1,057,833	1,480,966	1,184,773
LIABILITIES											
<u>Current liabilities - Borrowing</u>											

Short term loans (other than bank overdraft)											
Current portion of long-term liabilities				1,983	2,181	-					
Total Current liabilities - Borrowing		-	-	1,983	2,181	-	-	-	-	-	-
<u>Trade and other payables</u>											
Trade and other creditors				178,600	200,370	2,555	2,555	2,555	5,366	10,194	11,214
Unspent conditional transfers				7,042	-						
VAT				56,890	76,890	7,689	7,689	7,689	8,458	11,841	9,473
Total Trade and other payables	2	-	-	242,532	277,260	10,244	10,244	10,244	13,823	22,036	20,687
<u>Non current liabilities - Borrowing</u>											
Borrowing	4										
Finance leases (including PPP asset element)				6,000	6,600						
Total Non current liabilities - Borrowing		-	-	6,000	6,600	-	-	-	-	-	-
<u>Provisions - non-current</u>											
Retirement benefits				67,000	52,000						
List other major provision items											
Refuse landfill site rehabilitation											
Other						-	-	-	-	-	-
Total Provisions - non-current		-	-	67,000	52,000	-	-	-	-	-	-
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance											
GRAP adjustments											
Restated balance		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	0	0	0
Appropriations to Reserves				3,130	13,000	1,074,968	1,074,968	1,074,968	1,182,465	1,655,451	1,324,360
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	-	-	3,130	13,000	1,074,968	1,074,968	1,074,968	1,182,465	1,655,451	1,324,361
<u>Reserves</u>	-										
Housing Development Fund											
Capital replacement											
Capitalisation											
Government grant											

Donations and public contributions											
Self-insurance											
Other reserves <i>(list)</i>											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	-	-	3,130	13,000	1,074,968	1,074,968	1,074,968	1,182,465	1,655,451	1,324,361

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											
2010 World Cup											

d. Social, Economic and Demographic Statistics and Assumptions

LIM334 Ba-Phalaborwa - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	1996 Census	2001 Census	2007 Survey	2007/8	2008/9	2009/10	Current Year 2010/11	2011/12 Medium Term Revenue & Expenditure Framework		
<u>Demographics</u>											
Population				131,522	131,522	131,522	131,522	131,522	131,522	131,522	131,522
Females aged 5 - 14				13,967	13,967	13,967	13,967	13,967	13,967	13,967	13,967
Males aged 5 - 14				23,096	23,096	23,096	23,096	23,096	23,096	23,096	23,096
Females aged 15 - 34				13,967	13,967	13,967	13,967	13,967	13,967	13,967	13,967
Males aged 15 - 34				23,096	23,096	23,096	23,096	23,096	23,096	23,096	23,096
Unemployment				3,842	3,842	3,842	3,842	3,842	3,842	3,842	3,842
<u>Household income (households) (1.)</u>	-										
None	-			54,960	54,960	54,960	54,960	54,960	54,960	54,960	54,960
R1 - R4800				3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678
R4800 - R9600				3,123	3,123	3,123	3,123	3,123	3,123	3,123	3,123
<u>Poverty profiles (2.)</u>											
Insert description											
<u>Household/demographics (000)</u>											
Number of people in municipal area				131,522,000	131,522,000						
						131,522,000	131,522,000	131,522,000	131,522,000	131,522,000	131,522,000
Number of poor people in municipal area				-	-	-	-	-	-	-	-
Number of households in municipal area				32,253	32,253	32,253	32,253	32,253	32,253	32,253	32,253
Number of poor households in municipal area				-	-	-	-	-	-	-	-
Definition of poor household (R per month)				1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
<u>Housing statistics (3.)</u>											
Formal				29,780	29,780	29,780	29,780	29,780	29,780	29,780	29,780
Informal				360	360	360	360	360	360	360	360
Total number of households		-	-	30,140	30,140	30,140	30,140	30,140	30,140	30,140	30,140
Dwellings provided by municipality (4.)				3,652	3,652	3,652	3,652	3,652	30,500	30,500	30,500
Dwellings provided by province/s				-	-	-	-	-	-	-	-

Dwellings provided by private sector (5.)				-	-	-	-	-	-	-	-
Total new housing dwellings		-	-	3,652	3,652	3,652	3,652	3,652	30,500	30,500	30,500
<u>Economic (6.)</u>											
Inflation/inflation outlook (CPIX)					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - borrowing					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - investment		-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (electricity)					7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Consumption growth (water)					5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%
<u>Collection rates (7.)</u>											
Property tax/service charges					57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
Rental of facilities & equipment					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - external investments					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue from agency services					37.0%	37.0%	37.0%	37.0%	37.0%	37.0%	37.0%

e. Property Rates Summary

Description	Ref	2007/8	2008/9	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Valuation:									
Date of valuation:	1		2009/01/01						
Financial year valuation used			2009/2010				2010/2011		
Municipal by-laws s6 in place? (Y/N)	2		Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)			Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)			NO	No			No	0	
No. of assistant valuers (FTE)	3		3	3			3	–	–
No. of data collectors (FTE)	3		48	48			48	–	–
No. of internal valuers (FTE)	3		–	–			–	–	–
No. of external valuers (FTE)	3		3	3			3	–	–
No. of additional valuers (FTE)	4		2	2			2	–	–
Valuation appeal board established? (Y/N)			Yes	Yes			Yes		

Description	Ref	2007/8	2008/9	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Implementation time of new valuation roll (mths)			5	5			5		
No. of properties	5		21 276	21 276			21 276	–	–
No. of sectional title values	5		313	313			313	–	–
No. of unreasonably difficult properties s7(2)			25	25			25	–	–
No. of supplementary valuations			17	17			17	–	–
No. of valuation roll amendments			225	225			225	–	–
No. of objections by rate payers			466	466			466	–	–
No. of appeals by rate payers			2	2			2	–	–
No. of successful objections	8		225	225			225	–	–
No. of successful objections > 10%	8		176	176			176	–	–
Supplementary valuation			40 436	40 436			0	–	–
Public service infrastructure value (Rm)	5		22	22			22	–	–
Municipality owned property value (Rm)			572	572			572	–	–
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)			6	6			6	–	–
Valuation reductions-nature reserves/park (Rm)			–	–			–	–	–
Valuation reductions-mineral rights (Rm)			–	–			–	–	–
Valuation reductions-R15,000 threshold (Rm)			197	197			197	–	–
Valuation reductions-public worship (Rm)			24	24			24	–	–

Description	Ref	2007/8	2008/9	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Valuation reductions-other (Rm)			157	157			157	-	-
Total valuation reductions:		-	383	383	-	-	383	-	-
Total value used for rating (Rm)	5								
Total land value (Rm)	5								
Total value of improvements (Rm)	5								
Total market value (Rm)	5		7 189	7 189			7 189	7 621	8 078
				-					
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	5		Yes	Yes					
Differential rates used? (Y/N)			Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)			Yes	Yes			Yes		
Special rating area used? (Y/N)			No	Yes			Yes		
Phasing-in properties s21 (number)			1052	1052			1052	1157.2	1272.92
Rates policy accompanying budget? (Y/N)			Yes	Yes			Yes		
Fixed amount minimum value (R'000)			None	None			None		
Non-residential prescribed ratio s19? (%)			N	None			None		

Description	Ref	2007/8	2008/9	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Rate revenue:									
Rate revenue budget (R '000)	6			30 470		30 470	33 212	36 201	39 459
Rate revenue expected to collect (R'000)	6								
Expected cash collection rate (%)	7		100.0%	100.0%		100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)			0	–		–			
Rebates, exemptions - indigent (R'000)									
Rebates, exemptions - pensioners (R'000)									
Rebates, exemptions - bona fide farm. (R'000)									
Rebates, exemptions - other (R'000)									
Phase-in reductions/discounts (R'000)									
Total rebates,exemptns,reductns,discs (R'000)		–	0	–	–	–	–	–	–

f. Property Rates by Category

LIM334 Ba-Phalaborwa - Supporting Table SA13 Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monu m/ts	Public benefit orga ns.	Min ing Prop os.
Budget Year 2010/11																	
Valuation:																	
No. of properties		13 101	252	592	685	293	6 302	23	1								
No. of sectional title property values		313															
No. of unreasonably difficult properties s7(2)					25												
No. of supplementary valuations		9	6	2													
Supplementary valuation (Rm)		3 165 000	2 900 000	1 500 000													
No. of valuation roll amendments		85	14	19	107												
No. of objections by rate-payers		160	37	86	183												
No. of appeals by rate-payers				1	1												

LIM334 Ba-Phalaborwa - Supporting Table SA13 Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monu m/ts	Public benefit orga ns.	Min g Prop os.
No. of appeals by rate-payers finalised				–	–												
No. of successful objections	5	85	14	19	107												
No. of successful objections > 10%																	
Estimated no. of properties not valued	5																
		45	9	17	58												
Years since last valuation (select)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)		82		285	685												
Combination of rating types used? (Y/N)		No															
Flat rate used? (Y/N)		No															
Is balance rated by uniform rate/variable rate?		Variable															
Valuation reductions:																	

LIM334 Ba-Phalaborwa - Supporting Table SA13 Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monu m/ts	Public benefit orga ns.	Min ing Prop os.
Valuation reductions- public infrastructure (Rm)		6															
Valuation reductions- nature reserves/park (Rm)		–															
Valuation reductions- mineral rights (Rm)		–															
Valuation reductions-		197															
R15,000 threshold (Rm)																	
Valuation reductions- public worship (Rm)		24															
Valuation reductions- other (Rm)	2	0															
Total valuation reductions:																	
Total value used for rating (Rm)	6	6 234															
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6	7 189															
Rating:																	
Average rate	3																

LIM334 Ba-Phalaborwa - Supporting Table SA13 Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monu m/ts	Public benefit orga ns.	Min ing Prop os.
Rate revenue budget (R '000)	4																
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)																	
Special rating areas (R'000)																	
Rebates, exemptions -																	
indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates,exemptns,reductn																	
s,discs (R'000)																	

LIM334 Ba-Phalaborwa - Supporting Table SA13 Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monu m/ts	Publ ic ben efit orga ns.	Mi nin g Pr op s.

The data for budget and current year is the same.

g. Household Bills

LIM334 Ba-Phalaborwa - Supporting Table SA14 Household bills

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12 % incr.	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Rand/cent											
Monthly Account for Household - 'Large' Household	1										
Rates and services charges:											
Property rates		203.13	203.13	304.70	304.70	304.70	304.70	304.70	304.70	304.70	304.70
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		365.70	365.70	604.18	604.18	604.18	604.18	604.18	604.18	604.18	604.18
Water: Basic levy		–	–	–	–	–	–	–	–	–	–
Water: Consumption		95.08	95.08	105.55	105.55	105.55	105.55	105.55	105.55	105.55	105.55
Sanitation		77.73	77.73	94.91	94.91	94.91	94.91	94.91	94.91	94.91	94.91
Refuse removal		37.52	37.52	45.82	45.82	45.82	45.82	45.82	45.82	45.82	45.82
Other		–	–	–	–	–	–	–	–	–	–
sub-total		779.16	779.16	1,155.16	1,155.16	1,155.16	1,155.16	–	1,155.16	1,155.16	1,155.16
VAT on Services											
Total large household bill:		779.16	779.16	1,155.16	1,155.16	1,155.16	1,155.16	–	1,155.16	1,155.16	1,155.16
% increase/-decrease			–	48.3%	–	–	–		–	–	–
–											
Monthly Account for Household - 'Small' Household	2										
Rates and services charges:											
Property rates		–	–	–							
Electricity: Basic levy		–	–	–							
Electricity: Consumption		171.81	182.12	182.12	193.05	204.63	216.91	229.92	243.72	258.34	273.84
Water: Basic levy		–	–	–	–	–	–	–	–	–	–
Water: Consumption		74.75	79.24	76.35	80.93	85.79	90.93	96.39	102.17	108.30	114.80
Sanitation		38.23	40.52	40.52	42.95	45.53	48.26	51.16	54.22	57.48	60.93

Refuse removal		35.40	37.52	37.52	39.77	42.16	44.69	47.37	50.21	53.22	56.42
Other		-	-	-	-	-	-	-	-	-	-
sub-total		320.19	339.40	336.51	356.70	378.10	400.79	26.2%	450.33	477.35	505.99
VAT on Services											
Total small household bill:		320.19	339.40	336.51	356.70	378.10	400.79	26.2%	450.33	477.35	505.99
% increase/-decrease			6.0%	(0.9%)		6.0%	6.0%		12.4%	6.0%	6.0%
-				-1.14	-8.05	-0.00	-				
Monthly Account for Household - 'Small'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		191.63	182.12	182.12	244.21	244.21	244.21	6.0%	258.86	274.91	291.13
Electricity: Basic levy		-	-	-	-	-	-		-	-	-
Electricity: Consumption		191.63	191.63	191.63	191.63	191.63	191.63	6.0%	203.13	215.72	228.45
Water: Basic levy		-	-	-	-	-	-		-	-	-
Water: Consumption		74.75	74.75	74.75	74.75	74.75	74.75	6.0%	79.24	84.15	89.11
Sanitation		38.23	38.23	38.23	38.23	38.23	38.23	6.0%	40.52	43.04	45.58
Refuse removal		35.40	37.52	37.52	38.23	38.23	38.23	6.0%	40.52	43.04	45.58
Other		-	-	-	-	-	-		-	-	-
sub-total		531.64	524.25	524.25	587.05	587.05	587.05	6.0%	622.27	660.85	699.84
VAT on Services											
Total small household bill:		531.64	524.25	524.25	587.05	587.05	587.05	6.0%	622.27	660.85	699.84
% increase/-decrease			(1.4%)	-	12.0%	-	-		6.0%	6.2%	5.9%
-											

h. Investment Particulars by Type

Investment type R'000	Ref	2007/8	2008/9	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Parent municipality									
Securities - National Government		-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		88	88	88	-	88	88	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-
Municipality sub-total	1	88	88	88	-	88	-	-	-

The municipality has no entities.

i. Investment by Maturity

LIM334 Ba-Phalaborwa - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	1	Yrs/Months			Rand thousand	
<u>Parent municipality</u>						
Electricity guarantee held at ABSA		72	Guaranteed	30 June 2010	88	8
Municipality sub-total					88	8
<u>Entities</u>						
No entity						
Entities sub-total					–	–
TOTAL INVESTMENTS AND INTEREST	1				88	8

j. Municipal Borrowing

Borrowing - Categorised by type R thousand	Ref	2007/8	2008/9	Current Year 2010/11			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Parent municipality									
Long-Term Loans (annuity/reducing balance)		3 000	2 400	2 000		1450	996	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	1 236	1 236	1 236
Financial Leases		–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–
Municipality sub-total	1	3 000	2 400	2 000	–	1 450	2 232	1 236	1 236
Entities									

Borrowing - Categorised by type	Ref	2007/8	2008/9	Current Year 2010/11			2010/11 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Entities sub-total	1	-	-	-	-	-	-	-	-
Total Borrowing	1	3 000	2 400	2 000	-	1 450	2 232	1 236	1 236

Municipality has no entities

k. Reconciliation of transfers, Grant Receipts and Unspent Funds

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
<u>Operating transfers and grants:</u>	1,3									
National Government:										
Balance unspent at beginning of the year					96,800	96,210	96,210	56,287	61,694	65,865
Current year receipts										
Conditions met - transferred to revenue		-	-	-	96,800	96,210	96,210	56,287	61,694	65,865
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year					2,567	2,567	2,567	2,667	-	3,463
Current year receipts										
Conditions met - transferred to revenue		-	-	-	2,567	2,567	2,567	2,667	-	3,463
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	-	-	99,367	98,777	98,777	58,954	61,694	69,328
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
<u>Capital transfers and grants:</u>	1,3									
National Government:										
Balance unspent at beginning of the year					14,242	40,242	40,242	32,129	47,827	48,527
Current year receipts										
Conditions met - transferred to revenue		-	-	-	14,242	40,242	40,242	32,129	47,827	48,527
Conditions still to be met - transferred to liabilities										
Provincial Government:										

Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	-	14,242	40,242	40,242	32,129	47,827	48,527
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	-	113,609	139,019	139,019	91,083	109,521	117,855
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

I. Future Financial Implications

The municipality has no programmes above the three year budgeting cycle

m. Projects Delayed from Previous Financial Years

No project delays from the previous financial year.

20. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I **SETIMELA SIMPSON SEBASHE**, Acting municipal manager of **BA-PHALABORWA MUNICIPALITY**, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and regulations made under the act, and that the annual budget and supporting documents made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: **Sebashe S S**

Municipal Manager: **Ba-Phalaborwa Municipality (LIM334)**

Signature: _____

Date: _____